

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF CIMAREX
ENERGY CO. FOR COMPULSORY
POOLING, EDDY COUNTY,
NEW MEXICO.**

CASE NO. 20395

**APPLICATION OF CIMAREX
ENERGY CO. FOR COMPULSORY
POOLING, EDDY COUNTY,
NEW MEXICO.**

CASE NO. 20396

**APPLICATION OF CIMAREX
ENERGY CO. FOR COMPULSORY
POOLING, EDDY COUNTY,
NEW MEXICO.**

CASE NO. 20397

**APPLICATION OF CIMAREX
ENERGY CO. FOR COMPULSORY
POOLING, EDDY COUNTY,
NEW MEXICO.**

CASE NO. 20398

Examiner Docket: April 4, 2019

CIMAREX'S EXHIBITS



Earl E. DeBrine, Jr.
Lance D. Hough



MODRALL SPIERING
500 Fourth Street NW, Suite 1000
P. O. Box 2168 / Albuquerque, NM 87103
Telephone 505.848.1800
edebrine@modrall.com
ldh@modrall.com

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CIMAREX'S EXHIBITS

Exhibit A	Affidavit of Riley Morris
Exhibit B	Affidavit of Staci Mueller
Exhibit C	Affidavit of Earl E. DeBrine, Jr.

Earl E. DeBrine, Jr.
Lance D. Hough

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AFFIDAVIT OF RILEY MORRIS

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

Riley Morris, being duly sworn, deposes and states:

1. I am a landman for Cimarex Energy Co. ("Cimarex"), over the age of 18 and have personal knowledge of the matters stated herein. I have previously been qualified to testify by the New Mexico Oil Conservation Division as an expert in petroleum land matters.
2. Pursuant to NMAC 19.15.4.12.A(1), the following information is submitted in support of the above referenced compulsory pooling applications filed by Cimarex.

Case Nos. 20395, 20396, 20397, 20398



3. Each of these cases each involve a request for an order from the Division for compulsory pooling of interest owners who have refused to voluntarily pool their interests for the proposed Bone Spring horizontal spacing units described below, and in wells to be drilled in the horizontal spacing unit.

4. No opposition is expected. Prior to filing its applications Cimarex contacted the interest owners being pooled regarding the proposed wells; the pooled interest owners have failed or refused to voluntarily commit their interests in the wells. Cimarex provided all of the working interest owners and any unleased mineral owners and overriding royalty owners with notice of these applications and none have entered an appearance in opposition to Cimarex' applications.

5. A plat outlining all of 4 the horizontal units being pooled that is the subject of these applications is attached to my Affidavit as Exhibit "A." This exhibit also includes the ownership of each separate tract in the proposed units and the proposed wells' location within the units.

6. Below is a description of the facts supporting each of the compulsory pooling applications in the above-referenced cases.

7. **Case No. 20395**

- a. In its application, Cimarex seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the N/2 N/2 of Sections 14 and 15, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Parkway 15-14 North State Com 1H** well, to be horizontally drilled.
- b. A plat outlining the unit being pooled in Case No. 20395 is attached to my affidavit as **Exhibit A**, which shows the proposed well's location within the unit. The parties being pooled, and the nature and percent of their interests are also included as part of this Exhibit. This Exhibit also includes information for the working interest owners, the overriding interest owners, and any unleased mineral owners in the subject lands. Cimarex owns a 75% interest in the proposed unit and has a right to drill a well thereon.
- c. There are no depth severances within the Bone Spring formation within the unit.

- d. I have conducted a diligent search of the public records in the county where the well is located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed all parties well proposals, including an Authorization for Expenditure and for anyone who requested it, a form of Operating Agreement.
- e. Cimarex has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed well. A summary is attached as **Exhibit E**.
- f. Attached to my affidavit as **Exhibit B.15-14 North 1H** is the C-102 for the well. The well will develop the Turkey Track: Bone Spring Pool (Pool Code #60660).
- g. The producing interval for the well will be orthodox and will comply with the Division's set back requirements.
- h. **Exhibit C.15-14 North 1H** is a sample well proposal letter sent to each of the interest owners seeking their voluntary participation in the well.
- i. **Exhibit D.15-14 North 1H** is the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein of \$13,288,500 is fair and reasonable, and is comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.

8. **Case No. 20396**

- a. In its application, Cimarex Energy Co. seeks an order from the Division order pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the S/2 N/2 of Sections 14 and 15, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Parkway 15-14 North State Com 2H** well, to be horizontally drilled.
- b. A plat outlining the unit being pooled in Case No. 20396 is attached to my affidavit as **Exhibit A**, which shows the proposed well's location within the unit. The parties being pooled, and the nature and percent of their interests are also included as part of this Exhibit. This Exhibit also includes information for the working interest owners, the overriding interest owners, and any unleased mineral owners in the subject lands. Cimarex owns a 75% interest in the proposed unit and has a right to drill a well thereon.
- c. There are no depth severances within the Bone Spring formation within the unit.
- d. I have conducted a diligent search of the public records in the county where the well is located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed all parties well proposals, including an Authorization for Expenditure and for anyone who requested it, a form of Operating Agreement.

- e. Cimarex has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed well. A summary is attached as **Exhibit E**.
- f. Attached to my affidavit as **Exhibit B.15-14 North 2H** is the C-102 for the well. The well will develop the Turkey Track: Bone Spring Pool (Pool Code #60660).
- g. The producing interval for the well will be orthodox and will comply with the Division's set back requirements.
- h. **Exhibit C.15-14 North 2H** is a sample well proposal letter sent to each of the interest owners seeking their voluntary participation in the well.
- i. **Exhibit D.15-14 North 2H** is the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein of \$11,585,500 is fair and reasonable, and is comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.

9. **Case No. 20397**

- a. In its application, Cimarex Energy Co. seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the N/2 S/2 of Sections 14 and 15, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Parkway 15-14 South State Com 1H** well, to be horizontally drilled.
- b. A plat outlining the unit being pooled in Case No. 20397 is attached to my affidavit as **Exhibit A**, which shows the proposed well's location within the unit. The parties being pooled, and the nature and percent of their interests are also included as part of this Exhibit. This Exhibit also includes information for the working interest owners, the overriding interest owners, and any unleased mineral owners in the subject lands. Cimarex owns a 54.6875% interest in the proposed unit and has a right to drill a well thereon.
- c. There are no depth severances within the Bone Spring formation within the unit.
- d. I have conducted a diligent search of the public records in the county where the well is located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed all parties well proposals, including an Authorization for Expenditure and for anyone who requested it, a form of Operating Agreement.
- e. Cimarex has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed well. A summary is attached as **Exhibit E**.

- f. Attached to my affidavit as **Exhibit B.15-14 South 1H** is the C-102 for the well. The well will develop the Turkey Track: Bone Spring Pool (Pool Code #60660).
 - g. The producing interval for the well will be orthodox and will comply with the Division's set back requirements.
 - h. **Exhibit C.15-14 South 1H** is a sample well proposal letter sent to each of the interest owners seeking their voluntary participation in the well.
 - i. **Exhibit D.15-14 South 1H** is the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein of \$12,604,500 is fair and reasonable, and is comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.
10. **Case No. 20398**
- a. In its application, Cimarex Energy Co. seeks an order pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the S/2 S/2 of Sections 14 and 15, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Parkway 15-14 South State Com 2H** well, to be horizontally drilled.
 - b. A plat outlining the unit being pooled in Case No. 20395 is attached to my affidavit as **Exhibit A**, which shows the proposed well's location within the unit. The parties being pooled, and the nature and percent of their interests are also included as part of this Exhibit. This Exhibit also includes information for the working interest owners, the overriding interest owners, and any unleased mineral owners in the subject lands. Cimarex owns a 54.68758% interest in the proposed unit and has a right to drill a well thereon.
 - c. There are no depth severances within the Bone Spring formation within the unit.
 - d. I have conducted a diligent search of the public records in the county where the well is located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed all parties well proposals, including an Authorization for Expenditure and for anyone who requested it, a form of Operating Agreement.
 - e. Cimarex has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed well. A summary is attached as **Exhibit E**.
 - f. Attached to my affidavit as **Exhibit B.15-14 South 2H** is the C-102 for the well. The well will develop the Turkey Track: Bone Spring Pool (Pool Code #60660).

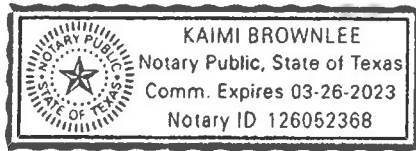
- g. The producing interval for the well will be orthodox and will comply with the Division's set back requirements.
 - h. **Exhibit C.15-14 South 2H** is a sample well proposal letter sent to each of the interest owners seeking their voluntary participation in the well.
 - i. **Exhibit D.15-14 South 2H** is the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein of \$11,058,500 is fair and reasonable, and is comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.
11. Cimarex requests overhead and administrative rates of \$7500/month during drilling and \$750/month while producing. These rates are fair and comparable to the rates charged by other operators for wells of this type in this area of Southeastern, New Mexico and consistent with the rates awarded by the Division in recent compulsory pooling orders. Cimarex requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
12. Cimarex requests the maximum cost plus 200% risk charge be assessed against non-consenting pooled working interest owners.
13. Cimarex requests that it be designated operator of the well.
14. The granting of Cimarex's applications in these cases is in the interests of conservation and the prevention of waste.
15. The attachments to my Affidavit were prepared by me or compiled from company business records.
16. I attest that the information provided herein is true, correct and complete to the best of my knowledge and belief.



Riley Morris

SUBSCRIBED AND SWORN to before me this 3rd day of April, 2019 by Riley Morris.

SEAL



Kaimi Brownlee

Notary Public

My commission expires: 3/26/2023

Y:\dox\client\82762\0180\DRAFTS\W3394011.DOCX

Parkway 15-14 State Com Proposed Contract Areas

- Proposed JOA Covers All of Sections 15 and 14 (Red Outline)
 - "Sub-Contract Areas" – "A" and "B" (Blue Outlines)
 - Multiple Tracts (Green Outlines)
- State Acreage – All leases have a 1/8th royalty
- WI Ownership Breakdown
 - Contract Area "A" (N/2 of Sections 15 and 14):
 - XEC/MHPI: 75%
 - Hunt: 12.5% (Prefers to Participate; no JOA in place)
 - Concho: 10.9375% (Reviewing JOA)
 - Galesi Trusts: 1.5625% (Cannot locate)
 - Contract Area "B" (S/2 of Sections 15 and 14):
 - XEC/MHPI: 54.6875%
 - Dugan: 26.5625% (Executed the JOA)
 - Hunt: 12.5% (Prefers to Participate; no JOA in place)
 - Concho: 6.25% (Reviewing JOA)
- ORRI Breakdown:
 - Contract Area "A": Largest to Smallest
 - Summit Overseas Exploration
 - Loro Corporation
 - John Thomas
 - Contract Area "B": Largest to Smallest
 - Summit Overseas Exploration
 - John Thomas
 - Dorothy Scott

MHPI 62.5% Cimarex 25% Galesi 12.5% Loro ORRI		MHPI 75% Cimarex 25% Summit ORRI	"A"		
MHPI 50% COG 50% Thomas ORRI		MHPI 56.25% COG 25% Cimarex 18.75% Thomas and Summit ORRI	MHPI 50% Hunt 50% No ORRI		MHPI 100% No ORRI
MHPI 100% Scott ORRI	Dugan100% No ORRI	Dugan100% No ORRI	"B" COG 50% MHPI 37.5% Cimarex 12.5% Thomas and Summit ORRI	MHPI 50% Hunt 50% No ORRI	MHPI 100% No ORRI

Case Nos. 20395, 20396, 20397, 20398



Exhibit A

Spacing Units for Parkway 15-14 State Comms

- 4 Separate Spacing Units (Black Dashed Line)
 - N/2 N/2 of Sections 15 and 14
 - S/2 N/2 of Sections 15 and 14
 - N/2 S/2 of Sections 15 and 14
 - S/2 S/2 of Sections 15 and 14

MHPI 62.5% Cimarex 25% Galesi 12.5%		MHPI 75% Cimarex 25%		"A"	
Loro ORRI		Summit ORRI			
MHPI 50% COG 50%		MHPI 56.25% COG 25% Cimarex 18.75%		MHPI 50% Hunt 50%	MHPI 100%
Thomas ORRI		Thomas and Summit ORRI		No ORRI	No ORRI
MHPI 100%		Dugan100%	Dugan100%	"B"	
Scott ORRI		No ORRI	No ORRI		
		COG 50% MHPI 37.5% Cimarex 12.5%		MHPI 50% Hunt 50%	MHPI 100%
		Thomas and Summit ORRI		No ORRI	No ORRI

Currently Operated Cimarex Wells

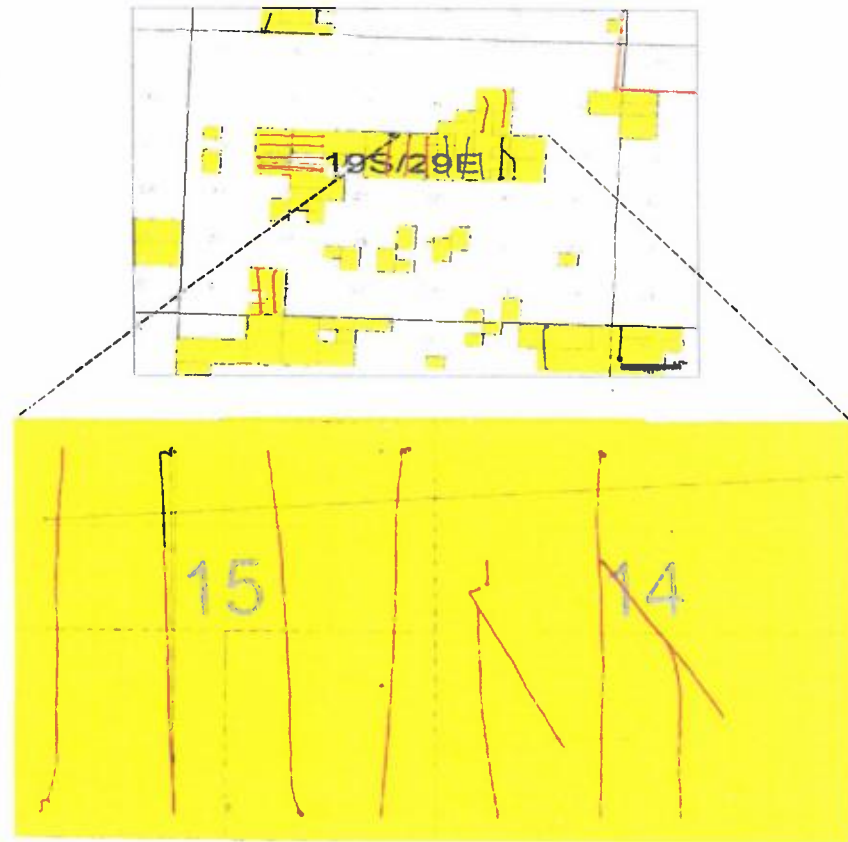
Horizontal Wells (West to East):

- Parkway State Com 3 (2nd Bone Spring)
- Parkway State Com 5Y (2nd Bone Spring)
- Parkway State Com 4 (2nd Bone Spring)
- Parkway State Com 6H (2nd Bone Spring)
- State 14 Com 2 (2nd Bone Spring)
- State 14 Com 3H (2nd Bone Spring)
- State 14 A Com 2 (Morrow)

Vertical Wells (West to East):

- Parkway State Com 2 (Morrow)
- Parkway State Com 1 (Morrow)
- Parkway B State 1 (Morrow)
- State 14 Com 1 (Strawn)

Gray-lined wells are permitted wells that have yet to be drilled



District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1600 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name PARKWAY 15-14 NORTH STATE COM	⁶ Well Number 1H
⁷ OGRID No.	⁸ Operator Name CIMAREX ENERGY CO.	⁹ Elevation 3345.0'

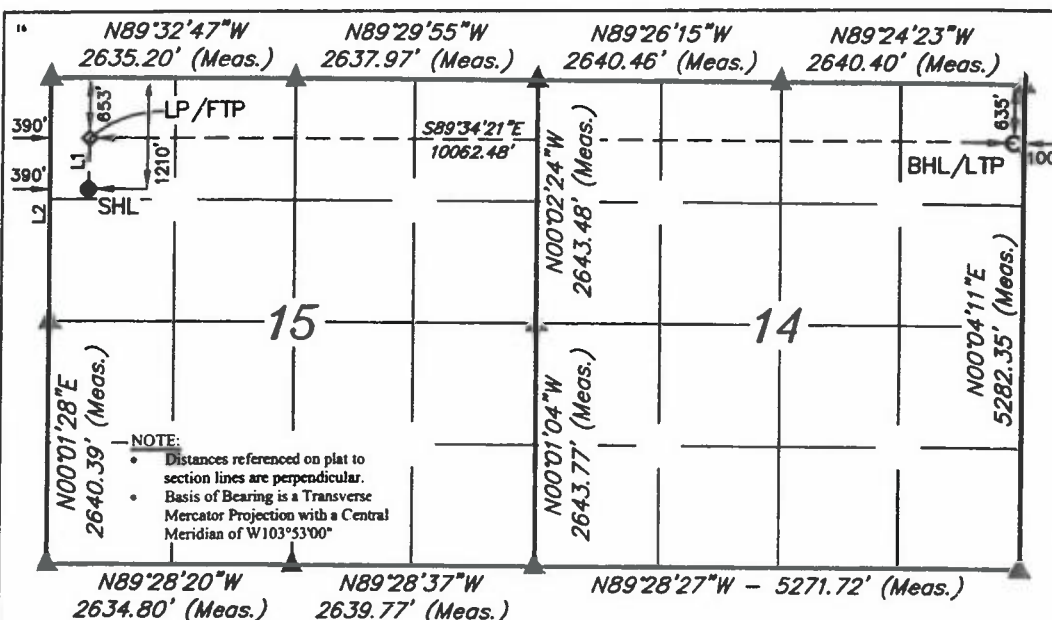
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	15	19S	29E		1210	NORTH	390	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	19S	29E		635	NORTH	100	EAST	EDDY
¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

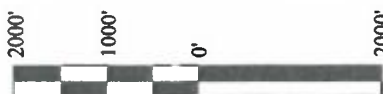


LINE TABLE		
LINE	DIRECTION	LENGTH
L1	N00°02'50"W	557.00'
L2	N00°03'11"W	2642.43'

NAD 83 (SURFACE HOLE LOCATION)	
LATITUDE = 32°39'53.01" (32.664725°)	
LONGITUDE = 104°04'11.80" (104.069943°)	
NAD 27 (SURFACE HOLE LOCATION)	
LATITUDE = 32°39'52.59" (32.664608°)	
LONGITUDE = 104°04'09.97" (104.069436°)	
STATE PLANE NAD 83 (N.M. EAST)	
N: 605658.69' E: 622390.92'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 605596.35' E: 581211.21'	

NAD 83 (BHL/LTP)	
LATITUDE = 32°39'57.94" (32.666094°)	
LONGITUDE = 104°02'14.12" (104.037256°)	
NAD 27 (BHL/LTP)	
LATITUDE = 32°39'57.51" (32.665976°)	
LONGITUDE = 104°02'12.30" (104.036750°)	
STATE PLANE NAD 83 (N.M. EAST)	
N: 606183.15' E: 632448.34'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 606120.72' E: 591268.64'	

- = SURFACE HOLE LOCATION
- ◇ = LANDING POINT/FIRST TAKE POINT
- = BOTTOM HOLE LOCATION/
LAST TAKE POINT
- ▲ = SECTION CORNER LOCATED



SCALE
DRAWN BY: C.M.T. 11-30-18

¹⁶ OPERATOR
CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁷ SURVEYOR
CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

November 21, 2018

Date of Survey
Signature and Seal of Professional Surveyor:



Certificate Number:

Case Nos. 20395, 20396, 20397, 20398



Exhibit B.15-14 North 1H



December 10, 2018

Hollis Galesi
30 Galesi Drive
Wayne, NJ 07407

**Re: Proposal to Drill
Parkway 15-14 North State Com 2H
Sections 15 & 14, Township 19 South, Range 29 East
Eddy County, New Mexico**

Dear Working Interest Owner,

Cimarex Energy Co. hereby proposes to drill the Parkway 15-14 North State Com 2H well at a legal location in Section 15, Township 19 South, Range 29 East, NMPM, Eddy Co., NM.

The intended surface hole location for the well is 1150' FNL and 390' FWL of Section 15, Township 19 South, Range 29 East, and the intended bottom hole location is 1915' FNL and 100' FEL of Section 14, Township 19 South, Range 29 East. The well is proposed to be drilled vertically to a depth of approximately 8,840' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 19,200' feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Parkway 15-14 North State Com 2H well. If you intend to participate, please approve and return one (1) original of the enclosed AFE, one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

Please call the undersigned with any questions or comments.

Respectfully,

A handwritten signature in blue ink, appearing to read "Riley C. Morris".

Riley C. Morris, RPL
rmorris@cimarex.com
432.620.1966

Case Nos. 20395, 20396, 20397, 20398

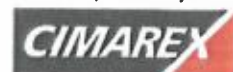


Exhibit C.15-14 North 1H

**ELECTION TO PARTICIPATE
Parkway 15-14 North State Com 2H**

_____ Hollis Galesi elects **TO** participate in the proposed Parkway 15-14 North State Com 2H well.

_____ Hollis Galesi elects **NOT** to participate in the proposed Parkway 15-14 North State Com 2H well.

Dated this _____ day of _____, 2018.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Parkway 15-14 North State Com 2H well, then:

_____ Hollis Galesi elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Hollis Galesi elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations or be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.



Authorization For Expenditure Drilling

AFE # 26619022

Company/Entity:

Date Prepared
12/10/2018

Exploration Region	Well Name	Proposed	Property Number	AFE
Permian Basin	PARKWAY 15-14 NORTH STATE COM 1H	New Mexico Bone Spring Pros (Eddy)	309775-293.01	26619022
County/State	Location	Estimated Spud	Estimated Completion	
Eddy, NM	N/2 N/2 of Sections 15 and 14, T19S, R29E, Eddy County, New Mexico	3/30/2019	8/1/2019	
<input checked="" type="checkbox"/> New Supplement Revision	Formation	Well Type	Total Measured Depth	Total Vertical Depth
	3rd Bone Spring	DEV	18,980	8,840

Purpose Drill and complete well

Description:

Drill and complete a horizontal test. Drill to 400' set surface casing. Drill to 3460' set intermediate casing. Drill to 8363' (KOP). Drill curve at 12°/100' initial build rate to +/- 90 degrees and 8840' TVD and drill a +/- 9650' long lateral in the bone spring formation. Run and cement production liner. Stage frac in stages. Drill out plugs. Run production packer, tubing and GLVs.

Intangible	Dry Hole	After Casing Point	Completed Well Cost
Drilling Costs	\$3,001,000		\$3,001,000
Completion Costs		\$8,198,500	\$8,198,500
Total Intangible Cost	\$3,001,000	\$8,198,500	\$11,199,500
Tangible	Dry Hole	After Casing Point	Completed Well Cost
Well Equipment	\$155,000	\$617,000	\$772,000
Lease Equipment		\$1,317,000	\$1,317,000
Total Tangible Cost	\$155,000	\$1,934,000	\$2,089,000
Total Well Cost	\$3,156,000	\$10,132,500	\$13,288,500

Comments On Well Costs

1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned. If available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Nonoperator Approval

Company

Approved By (Print Name)

Approved By (Signature)

Date

NOTICE TO NONOPERATOR: Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

12/10/2018

Case Nos. 20395, 20396, 20397, 20398

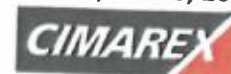


Exhibit D.15-14 North 1H



Authorization For Expenditure - PARKWAY 15-14 NORTH STATE
COM 1H

AFE # 26619022

Description	BCP - Drilling		ACP - Drilling		Comp/Stim		Production Equip		Post Completion		Total
Roads & Location	DHDC 100	200,000			STIM 100	5,000	CON 100	61,500	PCOM 100	10,000	276,500
Drawings	DHDC 105	10,000					CON 105	16,000			26,000
Mud/Fluids Disposal	DHDC 255	180,000			STIM 255	46,000			PCOM 255	275,000	501,000
Day Rate	DHDC 115	569,000	DHCC 120	100,000							669,000
Misc Preparation	DHDC 120	35,000									35,000
Bits	DHDC 125	85,000	DHCC 125	0	STIM 125	0			PCOM 125	0	85,000
Fuel	DHDC 135	92,000	DHCC 130	0					PCOM 130	0	92,000
Water for Drilling Rig (Not Frac Water)	DHDC 140	5,000	DHCC 135	0	STIM 135	24,000			PCOM 135	0	29,000
Mud & Additives	DHDC 145	250,000									250,000
Surface Rentals	DHDC 150	95,000	DHCC 140	0	STIM 140	216,000	CON 140	6,500	PCOM 140	33,000	350,500
Flowback Labor					STIM 141	0			PCOM 141	60,000	60,000
Downhole Rentals	DHDC 155	122,000			STIM 155	0			PCOM 145	0	122,000
Automation Labor							CON 150	95,000	PCOM 150	0	95,000
Formation Evaluation (DSF, Coring, etc.)	DHDC 160	0			STIM 155	0					0
Mud Logging	DHDC 170	29,000									29,000
Open Hole Logging	DHDC 180	0									0
Committing to Fleet Equipment	DHDC 185	150,000	DHCC 155	175,000							325,000
Technical Support and	DHDC 190	35,000	DHCC 160	5,000	STIM 160	2,000			PCOM 160	0	42,000
Lasing Crews	DHDC 195	10,000	DHCC 165	20,000	STIM 165	0					30,000
Mechanical Labor	DHDC 200	15,000	DHCC 170	5,000	STIM 170	0	CON 170	230,500	PCOM 170	0	250,500
Trucking/Transportation	DHDC 205	20,000	DHCC 175	15,000	STIM 175	7,000	CON 175	42,000	PCOM 175	0	84,000
Supervision	DHDC 210	111,000	DHCC 180	16,000	STIM 180	87,000	CON 180	48,500	PCOM 180	0	262,500
Trailer House Camp/ Catering	DHDC 280	32,000	DHCC 255	4,000	STIM 255	42,000					78,000
Other Misc Expenses	DHDC 230	3,000	DHCC 190	0	STIM 190	0	CON 190	20,000	PCOM 190	0	23,000
Overhead	DHDC 225	10,000	DHCC 175	5,000							15,000
Remedial Cementing	DHDC 211	0			STIM 215	0			PCOM 210	0	0
MDB/DEM/DB	DHDC 240	400,000									400,000
Directional Drilling Services	DHDC 245	216,000									216,000
Soil St Control	DHDC 260	77,000									77,000
Well Control Equip (Shutting Services)	DHDC 265	90,000	DHCC 240	0	STIM 240	98,000			PCOM 240	0	188,000
Fishing & S. Detract Sensors	DHDC 270	0	DHCC 245	0	STIM 245	0			PCOM 245	0	0
Completion Rig					STIM 255	21,000			PCOM 245	0	21,000
Coil Tubing Services					STIM 260	271,000			PCOM 260	0	271,000
Completion Logging/Perforating/Wireline					STIM 220	418,000			PCOM 260	0	418,000
Composite Plugs					STIM 340	95,000			PCOM 340	0	95,000
Simulation Pumping/Chemicals/Additives/Sand					STIM 212	4,061,000			PCOM 210	0	4,061,000
Simulation Water/Water Transfer/Water Storage					STIM 395	882,000					882,000
Cimarex Owned Fleet/Rental Equipment					STIM 305	42,000			PCOM 345	0	42,000
Legal/Regulatory Expense	DHDC 320	10,000					CON 360	0			10,000
Well Control Insurance	DHDC 285	7,000									7,000
Real Time Operations Center	DHDC 360	0			STIM 360	0					0
FL/GL - Labor							CON 360	73,500			73,500
FL/GL - Supervision							CON 305	0			0
Survey							CON 315	0			0
SWD/Other - Labor							CON 400	0			0
SWD/OTHER - SUPERVISION							CON 405	0			0
Contingency	DHDC 335	143,000	DHCC 220	17,000	STIM 220	316,000	CON 220	180,000	PCOM 220	38,000	634,000
Contingency							CON 221	11,000			11,000
P&A Costs	DHDC 295	0	DHCC 275	0							0
Total Drilling Cost		3,001,000		362,000		6,636,000		784,500		415,000	11,199,500
Drive Pipe	DAVEB 150	0									0
Conductor Pipe	DAVEB 130	0									0
Water String	DAVEB 135	0									0
Surface Casing	DAVEB 140	14,000									14,000
Intermediate Casing 1	DAVEB 145	121,000									121,000
Intermediate Casing 2	DAVEB 155	0									0
Drilling Liner	DAVEB 160	0									0
Production Casing or Liner			DAVEA 150	418,000							418,000
Production Tree-Back			DAVEA 165	0	STIM 161	0					0
Tubing					STIM 165	59,000			PCOM 165	0	59,000
Wellhead Tree Chokes	DAVEB 115	20,000	DAVEA 120	20,000	STIM 120	25,000			PCOM 120	0	65,000
Liner Hanger, Bolas or Packers	DAVEB 100	0	DAVEA 125	0							0
Packer, Supplies					STIM 400	15,000			PCOM 100	0	15,000
Pumping Unit, Engine					STIM 405	0			PCOM 105	0	0
Downhole Lift Equipment					STIM 410	80,000			PCOM 110	0	80,000
Surface Equipment									PCOM 120	0	0
Well Automation Materials									PCOM 155	0	0
Total Drilling - Well Equipment Cost		155,000		438,000		179,000				0	772,000
N/C Lease Equipment							CON 400	245,000			245,000
Tanks, Tanks Skips, Stairs							CON 405	176,500			176,500
Battery Equipment							CON 410	357,000			357,000
Secondary Containment							CON 415	79,000			79,000
Overhead Power Distribution							CON 420	91,000			91,000
Facility Electrical							CON 425	134,500			134,500
Telecommunication Equipment							CON 426	0			0
Meters and Metering Equipment							CON 445	26,500			26,500
Facility Line Pipe							CON 450	70,000			70,000
Lease Automation Materials							CON 455	115,000			115,000
FL/GL - Materials							CON 550	7,500			7,500
FL/GL - Line Pipe							CON 555	15,000			15,000
SWD/Other - Materials							CON 650	0			0
SWD/OTHER - LINE PIPE							CON 655	0			0
Total Drilling - Lease Equipment Cost								1,317,000			1,317,000
Total Estimated Cost		3,156,000		800,000		6,815,000		2,101,500		416,000	13,288,500



Authorization For Expenditure - PARKWAY 15-14 NORTH STATE COM 1H

AFE # 26619022

Description	Code	BCP - Drilling		ACP - Drilling		Compy/Stim	
		Amount	Unit	Amount	Unit	Amount	Unit
Roads & Location	DMDC 100	200,000				\$11M 100	5,000
Damages	DMDC 105	10,000					
Mud/Fluids Disposal	DMDC 255	180,000				\$11M 255	46,000
Day Rate	DMDC 115 22 days at \$25,000/day	569,000	DMCC 120 4 days at \$25,000/day	100,000			
Misc Preparation	DMDC 120	35,000					
Bits	DMDC 125	85,000	DMCC 125	0	\$11M 125	0	
Fuel	DMDC 135 1,150 gal./day at \$3.00/gal	92,000	DMCC 130	0			
Water for Drilling Rig (not Frac Water)	DMDC 140	5,000	DMCC 135	0	\$11M 135	24,000	
Mud & Additives	DMDC 145	250,000					
Surface Rentals	DMCC 150 Per Day (BCH) /day	95,000	DMCC 140	0	\$11M 140	216,000	
Flowback Labor					\$11M 141	0	
Downhole Rentals	DMCC 155	122,000			\$11M 145	0	
Automation Labor							
Formation Evaluation (DSI Coring, etc.)	DMCC 160	0			\$11M 150	0	
Mud Logging	DMCC 170 20 days at \$1,200/day	29,000					
Open Hole Logging	DMCC 162	0					
Cementing & Float Equipment	DMCC 185	150,000	DMCC 155	175,000			
Tubular Inspections	DMCC 190	35,000	DMCC 160	5,000	\$11M 160	2,000	
Casing Crews	DMCC 195	10,000	DMCC 165	20,000	\$11M 165	0	
Mechanical Lat or	DMCC 200	15,000	DMCC 170	5,000	\$11M 170	0	
Trucking/Transportation	DMCC 205	20,000	DMCC 175	15,000	\$11M 175	7,000	
Supervision	DMCC 210	111,000	DMCC 180	16,000	\$11M 180	87,000	
Trailer House/ Camp Catering	DMCC 280	32,000	DMCC 255	4,000	\$11M 280	42,000	
Other Misc Expenses	DMCC 220	3,000	DMCC 190	0	\$11M 190	0	
Overhead	DMCC 225	10,000	DMCC 195	5,000			
Remedial Cementing	DMCC 231	0			\$11M 215	0	
MOB/DEMOP	DMCC 240	400,000					
Operational Drilling Services	DMCC 245	216,000					
Solids Control	DMCC 260	77,000					
Well Control Equip (Subsiding Services)	DMCC 265	90,000	DMCC 240	0	\$11M 240	98,000	
Fighting & Suckback Services	DMCC 270	0	DMCC 245	0	\$11M 245	0	
Completion Rig					\$11M 135	21,000	
Cord Tubing Services					\$11M 260	271,000	
Completion Logging/Perforating Machine					\$11M 265	418,000	
Composite Plugs					\$11M 300	95,000	
Stimulation					\$11M 210	4,064,000	
Stimulation Water/Water Transfer/Water					\$11M 395	882,000	
Cimarex Owned Frac/Rental Equipment					\$11M 305	42,000	
Legal/Regulatory/Curtail	DMCC 300	10,000					
Well Control Insurance	DMCC 285 \$0.35/hr	7,000					
Real Time Operations Center	DMCC 560	0			\$11M 560	0	
FL/GL - Labor							
FL/GL - Supervision							
Survey							
SWD/Other - Labor							
SWD/OTHER - SUPERVISION							
Contingency	DMCC 435 500 % of Drilling Intangible	143,000	DMCC 220	17,000	\$11M 220	316,000	
Contingency							
P&A Costs	DMCC 295	0	DMCC 275	0			
Total Intangible Cost		3,031,000		362,000		6,636,000	
Drive Pipe	DWVEB 150	0					
Conductor Pipe	DWVEB 130	0					
Water String	DWVEB 135	0					
Surface Casing	DWVEB 140 13 3/8" - 400ft at \$35.00/ft	14,000					
Intermediate Casing 1	DWVEB 115 9 5/8" - 3,160ft at \$35.00/ft	121,000					
Intermediate Casing 2	DWVEB 155	0					
Drilling Liner	DWVEB 160	0					
Production Casing or Liner			DWVEA 100 5 1/2" - 18,980ft at \$22.00/ft	418,000			
Production Tie-Back			DWVEA 165	0	\$11M 101	0	
Tubing					\$11M 105 2 7/8" - 8,462ft at \$7.00/ft	59,000	
Wellhead Free Chokes	DWVEB 115	20,000	DWVEA 120	20,000	\$11M 120	25,000	
Liner Hanger, Isolation Packer	DWVEB 100	0	DWVEA 125	0			
Packer, Nipples					\$11M 400	15,000	
Pumping Unit Engine					\$11M 405	0	
Downhole Lift Equipment					\$11M 410	80,000	
Surface Equipment							
Well Automation Materials							
Total Tangible - Well Equipment Cost		155,000		438,000		179,000	
N/C Lease Equipment							
Tanks, Tanks Steps Stairs							
Battery Equipment							
Secondary Containment							
Overhead Power Distribution							
Facility Electrical							
Telecommunication Equipment							
Meters and Metering Equipment							
Facility Line Pipe							
Lease Automation Materials							
FL/GL - Materials							
FL/GL - Line Pipe							
SWD/Other - Materials							
SWD/OTHER - LINE PIPE							
Total Tangible - Lease Equipment Cost							
Total Estimated Cost		3,156,000		800,000		6,815,000	



Authorization For Expenditure - PARKWAY 15-14 NORTH STATE
COM 1H

AFE # 26619022

Description	COG	Production Equip		Post Completion		Total	
Roads & Location	CON 100	61,500	PCOM 100	Road Repair	10,000		276,500
Damages	CON 105	16,000					26,000
Mud Filtrate Disposal			PCOM 255	Water Disposal (CON 645) @ \$2.75 per bbl	275,000		501,000
Dry Rate							669,000
Mud Preparation							35,000
Exits			PCOM 125		0		85,000
Fuel			PCOM 130		0		92,000
Water for Drilling Pig Out Frac Water			PCOM 135		0		29,000
Mud & Additives							250,000
Surface Rentals	CON 140	6,500	PCOM 140	Sand Separator and Tank (30 days)	33,000		350,500
Flowback Labor			PCOM 145	Flowback Tanks (30 days)	60,000		60,000
Downhole Perfor.			PCOM 145		0		122,000
Automation Labor	CON 150	95,000	PCOM 150		0		95,000
Formation Evaluation (DST, Core, etc.)							0
Mud Logging							29,000
Open Hole Logging							0
Cementing & Float Equipment							325,000
Tubular Inspection			PCOM 160		0		42,000
Casing Cement							30,000
Mechanical Labor	CON 170	230,500	PCOM 170		0		250,500
Trucking/Transportation	CON 175	42,000	PCOM 175		0		84,000
Supervision	CON 180	46,500	PCOM 180		0		262,500
Trailer House/Catering/Catering							78,000
Other Misc Expenses	CON 190	20,000	PCOM 190		0		23,000
Overhead							15,000
Remedial Cementing			PCOM 215		0		0
MUD/DEMOS							400,000
Directional Drilling Services							216,000
Solids Control							77,000
Well Control Equip (Sealboard Services)			PCOM 240		0		188,000
Fishing & Sidetrack Services			PCOM 245		0		0
Completion Rig			PCOM 115		0		21,000
Coil Tubing Services			PCOM 260		0		271,000
Completion Logging/Perforating/Schedule			PCOM 200		0		418,000
Composite Plugs			PCOM 390		0		55,000
Stimulation Pumping/Chemicals/Additives/Sand			PCOM 210		0		4,064,000
Stimulation Water/Water Transfer/Water Storage							882,000
Cummins Owned Frac/Percut Equipment			PCOM 305		0		42,000
Legal/Regulatory/Curative	CON 300	0					10,000
Well Control Insurance							7,000
Real Time Operations Center							0
FL/GI - Labor	CON 500	73,500					73,500
FL/GI - Supervision	CON 505	0					0
Survey	CON 515	0					0
SWD Other - Labor	CON 600	0					0
SWD OTHER - SUPERVISOR	CON 605	0					0
Contingency	CON 220	180,000	PCOM 220	10%	38,000		694,000
Contingency	CON 221	11,000					11,000
P&A Costs							0
Total Intangible Cost:		761,500			416,000		11,199,500
Drive Pipe							0
Conductor Pipe							0
Water String							0
Surface Casing							14,000
Intermediate Casing 1							121,000
Intermediate Casing 2							0
Drilling Bit							0
Production Casing or Liner							418,000
Production Tie Back							0
Tubing			PCOM 105		0		59,000
Wellhead/Tree Controls			PCOM 120		0		65,000
Liner Hanger, Isolation Backer							0
Packer, Nipples			PCOM 400		0		15,000
Pumping Unit Engine			PCOM 405		0		0
Downhole Lift Equipment			PCOM 410		0		80,000
Surface Equipment			PCOM 420		0		0
Well Automation Materials			PCOM 455		0		0
Total Tangible - Well Equipment Cost:					0		772,000
M.C. Lease Equipment	COM 400	245,000					245,000
Tanks, Tank Steps, Stairs	COM 405	176,500					176,500
Battery Equipment	COM 410	357,000					357,000
Secondary Control Panels	COM 415	79,000					79,000
Overhead Power Distribution	COM 420	91,000					91,000
Facility Electrical	COM 425	134,500					134,500
Telecommunication Equipment	COM 426	0					0
Meters and Measuring Equipment	COM 435	26,500					26,500
Facility Liner Pipe	COM 450	70,000					70,000
Lease Automation Materials	COM 455	115,000					115,000
FL/GI - Materials	COM 550	7,500					7,500
FL/GI - Liner Pipe	COM 555	15,000					15,000
SWD Other - Materials	COM 650	0					0
SWD OTHER - LINER PIPE	COM 655	0					0
Total Tangible - Lease Equipment Cost:		1,317,000					1,317,000
Total Estimated Cost		2,101,500			416,000		13,288,500



Authorization For Expenditure Drilling

AFE # 26619022

Company Entry

Date Prepared
12/10/2018

Exploration Region	Well Name	Field	Property Number	AFE
Permian Basin	PARKWAY 15-14 NORTH STATE COM 1H	New Mexico Bone Spring Pros (Eddy)	309775-293.01	26619022
County/State	Location	Estimated Spud	Estimated Completion	
Eddy, NM	N/2 N/2 of Sections 15 and 14, T19S, R29E, Eddy County, New Mexico	3/30/2019	8/1/2019	
X New Supplement Revision	Formation	Well Type	Estimated Cost	Total Estimated Cost
	3rd Bone Spring	DEV	18,980	8,840

Purpose: Drill and complete well

Description

Drill and complete a horizontal test. Drill to 400 set surface casing. Drill to 3460' set intermediate casing. Drill to 8363' (KOP). Drill curve at 12°/100' initial build rate to +/- 90 degrees and 8840' TVD and drill a +/- 9650' long lateral in the bone spring formation. Run and cement production liner. Stage frac in stages. Drill out plugs. Run production packer, tubing and GLVs.

Intangible	Dry Hole	After Casing Point	Completed Well Cost
Drilling Costs	\$3,001,000		\$3,001,000
Completion Costs		\$8,198,500	\$8,198,500
Total Intangible Cost	\$3,001,000	\$8,198,500	\$11,199,500
Tangible	Dry Hole	After Casing Point	Completed Well Cost
Well Equipment	\$155,000	\$617,000	\$772,000
Lease Equipment		\$1,317,000	\$1,317,000
Total Tangible Cost	\$155,000	\$1,934,000	\$2,089,000
Total Well Cost	\$3,156,000	\$10,132,500	\$13,288,500

Comments On Well Costs

1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefor. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Nonoperator Approval

Company

Approved By (Print Name)

Approved By (Signature)

Date

NOTICE TO NONOPERATOR: Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

12/10/2018



Authorization For Expenditure - PARKWAY 15-14 NORTH STATE
COM 1H

AFE # 26619022

	BCP - Drilling		ACP - Drilling		Comp/Stim		Production Equip		Post Completion		Total
Description											
Roads & Location	DICL 100	200,000			STIM 100	5,000	CON 100	61,500	PCOM 100	10,000	276,500
Damages	DICL 105	70,000					CON 105	16,000			26,000
Mud Filtration Disposal	DICL 255	180,000			STIM 255	46,000			PCOM 255	275,000	501,000
Day Rate	DICL 115	569,000	DICL 120	100,000							669,000
Mud Preparation	DICL 120	35,000									35,000
Gas	DICL 125	85,000	DICL 125	0	STIM 125	0			PCOM 125	0	85,000
Fuel	DICL 135	92,000	DICL 130	0					PCOM 130	0	92,000
Water for Drilling Rig (Not Frac Water)	DICL 140	5,000	DICL 135	0	STIM 135	24,000			PCOM 135	0	29,000
Mud & Additives	DICL 145	250,000									250,000
Surface Rental	DICL 150	95,000	DICL 140	0	STIM 140	216,000	CON 150	6,500	PCOM 140	33,000	350,500
Flowback Labor					STIM 141	0			PCOM 141	60,000	60,000
Drawdown Rental	DICL 155	122,000			STIM 155	0			PCOM 145	0	122,000
Automation Labor							CON 150	95,000	PCOM 150	0	95,000
Formation Evaluation (CST Coring)	DICL 160	0			STIM 160	0					0
Mud Logging	DICL 170	29,000									29,000
Open Hole Logging	DICL 161	0									0
Cementing & Flood Equipment	DICL 185	150,000	DICL 155	175,000							325,000
Tubular Inspections	DICL 190	35,000	DICL 160	5,000	STIM 160	2,000			PCOM 160	0	42,000
Casing Crews	DICL 195	10,000	DICL 165	20,000	STIM 165	0					30,000
Mechanical Labor	DICL 200	15,000	DICL 170	5,000	STIM 170	0	CON 170	230,500	PCOM 170	0	250,500
Trucking/Transportation	DICL 205	20,000	DICL 175	15,000	STIM 175	7,000	CON 175	42,000	PCOM 175	0	84,000
Supervision	DICL 210	111,000	DICL 180	16,000	STIM 180	87,000	CON 180	48,500	PCOM 180	0	262,500
Trailer House/Camp/Catering	DICL 280	32,000	DICL 255	4,000	STIM 280	42,000					78,000
Other Misc Expenses	DICL 220	3,000	DICL 190	0	STIM 190	0	CON 190	20,000	PCOM 190	0	23,000
Overhead	DICL 225	10,000	DICL 195	5,000							15,000
Removal Cementing	DICL 231	0			STIM 235	0			PCOM 235	0	0
MOB/OTHER	DICL 230	400,000									400,000
Directional Drilling Services	DICL 235	216,000									216,000
Solid Control	DICL 260	77,000									77,000
Well Control Equipment (Drilling Service)	DICL 265	90,000	DICL 210	0	STIM 240	98,000			PCOM 240	0	188,000
Fishing & Sidetrack Services	DICL 270	0	DICL 215	0	STIM 245	0			PCOM 245	0	0
Completion Rig					STIM 115	21,000			PCOM 115	0	21,000
Coil Tubing Services					STIM 260	271,000			PCOM 260	0	271,000
Completion Logging/Perforating/Attrition					STIM 200	418,000			PCOM 200	0	418,000
Composite Plugs					STIM 390	95,000			PCOM 390	0	95,000
Stimulation Pumping/Chemicals/Additives/Sand					STIM 210	4,064,000			PCOM 210	0	4,064,000
Stimulation Water/Water Transfer/Water Storage					STIM 395	882,000					882,000
Crimers, Owned Frac/Rental Equipment					STIM 305	42,000			PCOM 305	0	42,000
Legal/Regulatory/Curtain	DICL 320	10,000					CON 300	0			10,000
Well Control Insurance	DICL 285	7,000									7,000
Real Time Operations Center	DICL 560	0			STIM 560	0					0
FLUG - Labor							CON 500	73,500			73,500
FLUG - Supervision							CON 505	0			0
Salary							CON 515	0			0
SWD Other - Labor							CON 600	0			0
SWD OTHER - SUPERVISION							CON 635	0			0
Contingency	DICL 135	143,000	DICL 220	17,000	STIM 220	316,000	CON 220	180,000	PCOM 220	38,000	694,000
Contingency							CON 221	11,000			11,000
P&A Costs	DICL 295	0	DICL 275	0							0
Total Tangible Cost		3,001,000		362,000		6,635,000		781,500		416,000	11,199,500
Drive Pipe	DICL 150	0									0
Conductor Pipe	DICL 130	0									0
Water String	DICL 135	0									0
Surface Casing	DICL 140	14,000									14,000
Intermediate Casing 1	DICL 145	121,000									121,000
Intermediate Casing 2	DICL 155	0									0
Drilling Liner	DICL 160	0									0
Production Casing or Liner			DICL 165	418,000							418,000
Production Tie-Back			DICL 165	0	STIM 165	0					0
Tubing					STIM 165	59,000			PCOM 165	0	59,000
Wellhead Tree Chokes	DICL 115	20,000	DICL 120	20,000	STIM 120	25,000			PCOM 120	0	65,000
Lower Hanger, Isolation Packoff	DICL 100	0	DICL 125	0							0
Packer Supplies					STIM 400	15,000			PCOM 400	0	15,000
Pumping Unit - Engine					STIM 405	0			PCOM 405	0	0
Drawdown Lift Equipment					STIM 410	80,000			PCOM 410	0	80,000
Surface Equipment									PCOM 420	0	0
Well Automation Materials									PCOM 455	0	0
Total Tangible - Lease Equipment Cost		155,000		438,000		179,000				0	772,000
Oil Lease Equipment							CON 400	245,000			245,000
Tanks, Tanks Steps, Stairs							CON 405	176,500			176,500
Battery Equipment							CON 410	357,000			357,000
Secondary Containment							CON 415	79,000			79,000
Overhead Power Distribution							CON 420	91,000			91,000
Facility Electrical							CON 425	134,500			134,500
Telecommunications Equipment							CON 430	0			0
Metering and Metering Equipment							CON 440	26,500			26,500
Facility Line Pipe							CON 450	70,000			70,000
Lease Automation Materials							CON 455	115,000			115,000
FLUG - Materials							CON 550	7,500			7,500
FLUG - Line Pipe							CON 555	15,000			15,000
SWD Other - Materials							CON 650	0			0
SWD OTHER - LINE PIPE							CON 655	0			0
Total Tangible - Lease Equipment Cost								1,317,000			1,317,000
Total Estimated Cost		3,156,000		800,000		6,815,000		2,101,500		416,000	13,288,500



Authorization For Expenditure - PARKWAY 15-14 NORTH STATE
COM 1H

AFE # 26619022

Description	BCP - Drilling		ACP - Drilling		Comp/Stim	
	Code	Amount	Code	Amount	Code	Amount
Roads & Location	DHDC 102	200,000			STIM 100	5,000
Lumaries	DHDC 105	10,000				
Mud/Liquids Disposal	DHDC 255	180,000			STIM 255	46,000
Day Rate	DHDC 115 22 days at \$25,000/day	\$569,000	DHCC 120 4 days at \$25,000/day	100,000		
Misc Preparation	DHDC 120	35,000				
Bits	DHDC 124	85,000	DHCC 125	0	STIM 125	0
Fuel	DHDC 135 1,150 gal/day at \$3.06/gal	92,000	DHCC 130	0		
Water for Drilling Rig (Not Frac Water)	DHDC 140	5,000	DHCC 135	0	STIM 135	24,000
Mud & Additives	DHDC 145	250,000				
Surface Rentals	DHDC 150 Per Day (BCP)/day	95,000	DHCC 140	0	STIM 140	216,000
Flowback Labor					STIM 141	0
Downhole Rentals	DHDC 155	122,000			STIM 145	0
Automation Labor						
Formation Evaluation (DST, Coring, etc.)	DHDC 160	0			STIM 150	0
Mud Logging	DHDC 170 20 days at \$1,200/day	29,000				
Open Hole Logging	DHDC 180	0				
Cementing & Float Equipment	DHDC 185	150,000	DHCC 155	175,000		
Tubular Inspections	DHDC 190	35,000	DHCC 160	5,000	STIM 160	2,000
Casing Crews	DHDC 195	10,000	DHCC 165	20,000	STIM 165	0
Mechanical Labor	DHDC 200	15,000	DHCC 170	5,000	STIM 170	0
Trucking/Transportation	DHDC 205	20,000	DHCC 175	15,000	STIM 175	7,000
Supervision	DHDC 210	111,000	DHCC 180	16,000	STIM 180	87,000
Trailer House/Camp Catering	DHDC 280	32,000	DHCC 255	4,000	STIM 280	42,000
Other Misc Expenses	DHDC 220	3,000	DHCC 190	0	STIM 190	0
Overhead	DHDC 225	10,000	DHCC 195	5,000		
Remedial Cementing	DHDC 231	0			STIM 215	0
MOB/DEMOP	DHDC 240	400,000				
Directional Drilling Services	DHDC 245	216,000				
Solids Control	DHDC 260	77,000				
Well Control Equip (Snubbing Services)	DHDC 265	90,000	DHCC 240	0	STIM 240	98,000
Fishing & Snubbing Services	DHDC 270	0	DHCC 245	0	STIM 245	0
Completion Rig					STIM 115	21,000
Cool Tubing Services					STIM 260	271,000
Completion Logging/Perforating/Placement					STIM 262	418,000
Compos to Plug					STIM 390	95,000
Stimulation					STIM 210	4,064,000
Stimulation Water/Water Transfer/Water					STIM 395	882,000
Cimarex Owned Frac/Rental Equipment					STIM 305	42,000
Legal/Regulatory/Curtative	DHDC 300	10,000				
Well Control Insurance	DHDC 285 \$0.34/ft	7,000				
Real Time Operations Center	DHDC 500	0			STIM 560	0
FL/GT - Labor						
FL/GT - Supervision						
Survey						
SWD/Other - Labor						
SWD/OTHER - SUPERVISION						
Contingency	DHDC 435 500 % of Drilling Program Bids	143,000	DHCC 220	17,000	STIM 220	316,000
Contingency						
P&A Costs	DHDC 295	0	DHCC 275	0		
Total Drilling Cost		3,001,000		362,000		6,635,000
Drive Pipe	DWELL 150	0				
Conductor Pipe	DWELL 130	0				
Water String	DWELL 155	0				
Surface Casing	DWELL 140 12 3/8" - 400ft at \$35.00/ft	14,000				
Intermediate Casing 1	DWELL 145 9 5/8" - 3,400ft at \$35.00/ft	121,000				
Intermediate Casing 2	DWELL 155	0				
Drilling Lines	DWELL 160	0				
Production on Casing or Liner			DWELA 100 5 1/2" - 18,980ft at \$27.00/ft	418,000		
Production Tie-Back			DWELA 165	0	STIM 101	0
Tubing					STIM 105 2 7/8" - 8,460ft at \$7.00/ft	59,000
Wellhead Tree Choke	DWELL 115	20,000	DWELA 120	20,000	STIM 120	25,000
Liner Hanger, Isolation Packer	DWELL 100	0	DWELA 125	0		
Packer, Hangers					STIM 490	15,000
Pumping Unit - Engine					STIM 405	0
Downhole Lift Equipment					STIM 410	80,000
Surface Equipment						
Well Automation Materials						
Total Tieback - Well Equipment Cost		155,000		438,000		179,000
FL/GT Lease Equipment						
Tanks, Tanks Steps, Steers						
Battery Equipment						
Secondary Containment						
Overhead Power Distribution						
Facility Electrical						
Telecommunication Equipment						
Meters and Metering Equipment						
Facility Line Pipe						
Leave Automation Materials						
FL/GT - Materials						
FL/GT - Line Pipe						
SWD/Other - Materials						
SWD/OTHER - LINE PIPE						
Total Tieback - Lease Equipment Cost						
Total Estimated Cost		3,156,000		800,000		6,815,000



Authorization For Expenditure - PARKWAY 15-14 NORTH STATE
COM 1H

AFE # 26619022

Description		Production Equip		Post Completion		Total	
Profs & Location	COM 100	61,500	PCOM 100	Road Repair	10,000	276,500	
Remediation	COM 105	16,000				26,000	
MATERIALS Disposal			PCOM 135	Water Disposal (2009 B/L PD) @ \$0.25 per bbl	275,000	501,000	
City Rate						669,000	
MATERIAL Preparation						35,000	
Flt			PCOM 125		0	85,000	
Fuel			PCOM 130		0	92,000	
Water for Drilling R/g First Frac Water			PCOM 135		0	29,000	
Mud & Additives						250,000	
Surface Rentals	COM 140	6,500	PCOM 140	Sand Separator and Iron (30 days)	33,000	350,500	
Heavywork Labor			PCOM 141	Flourwork Irons (30 days)	60,000	60,000	
Drumhole Rental			PCOM 145		0	122,000	
Automation Labor	COM 150	95,000	PCOM 150		0	95,000	
Formation Evaluation (DST, Coring, etc)						0	
Mud Logging						29,000	
Open Hole Logging						0	
Logging & Final Equipment						325,000	
Individual Inspections			PCOM 160		0	42,000	
Casing Crews						30,000	
Mechanical Labor	COM 170	230,500	PCOM 170		0	250,500	
Trucking/Transportation	COM 175	42,000	PCOM 175		0	84,000	
Supervision	COM 180	48,500	PCOM 180		0	262,500	
Trailer Maintenance/Catering						78,000	
Other Misc Expenses	COM 190	20,000	PCOM 190		0	23,000	
Overhead						15,000	
Permitted Permitting			PCOM 215		0	0	
ACIS/DIAGNOSIS						400,000	
Direct Small Drilling Services						216,000	
Solids Control						77,000	
Well Control Equip (Shrubbing Services)			PCOM 240		0	188,000	
Fishing & Sidetrack Services			PCOM 245		0	0	
Completion Rig			PCOM 115		0	21,000	
Coil Tubing Services			PCOM 260		0	271,000	
Completion Logging/Perforating/Wireline			PCOM 200		0	418,000	
Composite Plugs			PCOM 390		0	95,000	
Stimulation Pumping/Chemicals/Additives/Sand			PCOM 210		0	4,064,000	
Stimulation Water/Water Transfer/Water Storage						882,000	
Cimarex Owned Frac/Mental Equipment			PCOM 305		0	42,000	
Legal/Regulatory/Compliance	COM 300	0				10,000	
Well Control Insurance						7,000	
Real Time Operations Center						0	
FL/GU - Labor	COM 500	73,500				73,500	
FL/GU - Supervision	COM 505	0				0	
Survey	COM 515	0				0	
SWD/Other - Labor	COM 600	0				0	
SWD/OTHER - SUPERVISORY	COM 605	0				0	
Contingency	COM 220	180,000	PCOM 220	10%	38,000	694,000	
Contingency	COM 225	11,000				11,000	
P&A Costs						0	
Total Tangible Cost		784,500			416,000	11,199,500	
Drone Pipe						0	
Conductor Pipe						0	
Water String						0	
Surface Casing						14,000	
Intermediate Casing 1						121,000	
Intermediate Casing 2						0	
Drilling Lines						0	
Production Casing or Liner						418,000	
Production Tool Back						0	
Toolbars			PCOM 105		0	59,000	
Wellhead Tool Chokes			PCOM 120		0	65,000	
Inner Hanger Isolation Packer						0	
Packer Gaskets			PCOM 400		0	15,000	
Pumping Unit Engine			PCOM 405		0	0	
Quantifiable Equipment			PCOM 410		0	80,000	
Surface Equipment			PCOM 420		0	0	
Well Automation Materials			PCOM 435		0	0	
Total Tangible - Well Equipment Cost					0	772,000	
Production Equipment	COM 800	245,000				245,000	
Process Flow Step - Stairs	COM 805	176,500				176,500	
Battery Equipment	COM 810	357,000				357,000	
Secondary Components	COM 815	79,000				79,000	
Overhead Power Distribution	COM 820	91,000				91,000	
Facility Electrical	COM 825	134,500				134,500	
Telecommunication Equipment	COM 830	0				0	
Meters and Metering Equipment	COM 835	26,500				26,500	
Facility Lease Pipe	COM 840	70,000				70,000	
Lease Automation Materials	COM 855	115,000				115,000	
FL/GU - Materials	COM 550	7,500				7,500	
FL/GU - Line Pipe	COM 555	15,000				15,000	
SWD/Other - Materials	COM 650	0				0	
SWD/OTHER - LINE PIPE	COM 655	0				0	
Total Tangible - Lease Equipment Cost		1,317,000				1,317,000	
Total Estimated Cost		2,101,500			416,000	13,288,500	

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name PARKWAY 15-14 NORTH STATE COM	
⁷ OGRID No.	⁶ Operator Name CIMAREX ENERGY CO.	
		⁸ Well Number 2H
		⁹ Elevation 3344.5'

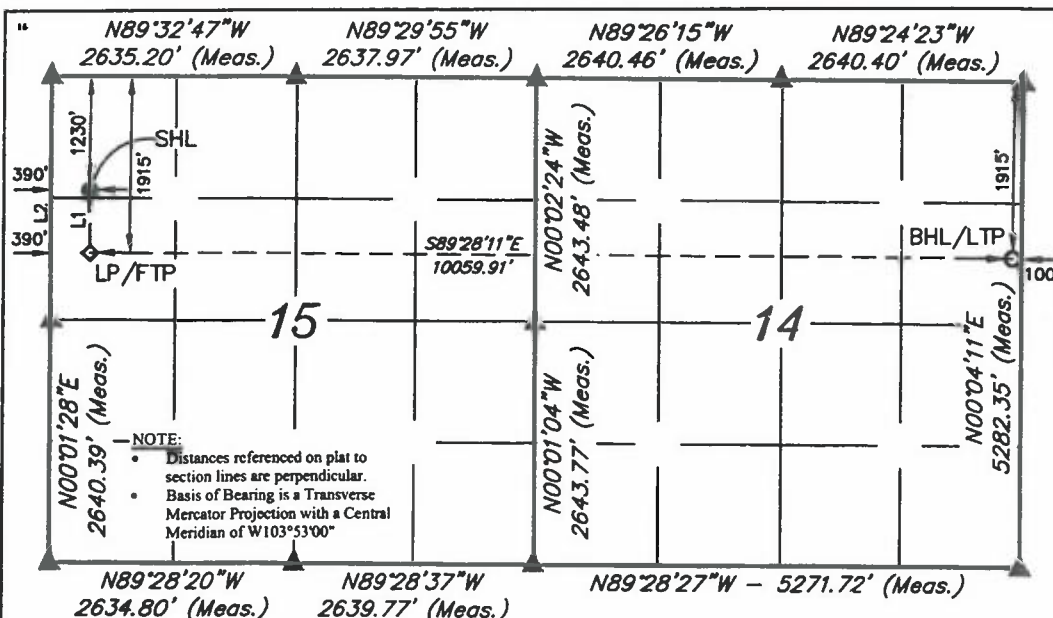
" Surface Location

UL or lot no. D	Section 15	Township 19S	Range 29E	Lot Idn	Feet from the 1230	North/South line NORTH	Feet from the 390	East/West line WEST	County EDDY
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" Bottom Hole Location If Different From Surface

UL or lot no. H	Section 14	Township 19S	Range 29E	Lot Idn	Feet from the 1915	North/South line NORTH	Feet from the 100	East/West line EAST	County EDDY
¹² Dedicated Acres 360		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S00°03'28"E	685.05'
L2	N00°03'11"W	2642.43'

NAD 83 (SURFACE HOLE LOCATION)	
LATITUDE = 32°39'52.81" (32.664670°)	
LONGITUDE = 104°04'11.79" (104.069943°)	
NAD 27 (SURFACE HOLE LOCATION)	
LATITUDE = 32°39'52.39" (32.664553°)	
LONGITUDE = 104°04'09.97" (104.069436°)	
STATE PLANE NAD 83 (N.M. EAST)	
N: 605638.70' E: 622391.02'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 605576.35' E: 581211.31'	

NAD 83 (BHL/LTP)	
LATITUDE = 32°39'45.28" (32.662576°)	
LONGITUDE = 104°02'14.12" (104.037255°)	
NAD 27 (BHL/LTP)	
LATITUDE = 32°39'44.85" (32.662458°)	
LONGITUDE = 104°02'12.30" (104.036749°)	
STATE PLANE NAD 83 (N.M. EAST)	
N: 604903.37' E: 632452.21'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 604840.97' E: 591272.49'	

- = SURFACE HOLE LOCATION
- ◆ = LANDING POINT/FIRST TAKE POINT
- = BOTTOM HOLE LOCATION/ LAST TAKE POINT
- ▲ = SECTION CORNER LOCATED



" OPERATOR
CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

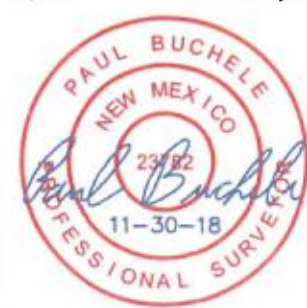
E-mail Address _____

" SURVEYOR
CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

November 21, 2018

Date of Survey _____
Signature and Seal of Professional Surveyor: _____



Certificate Number: _____

Case Nos. 20395, 20396, 20397, 20398

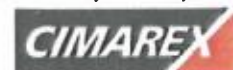


Exhibit B.15-14 North 2H



December 10, 2018

Hollis Galesi
30 Galesi Drive
Wayne, NJ 07407

**Re: Proposal to Drill
 Parkway 15-14 North State Com 2H
 Sections 15 & 14, Township 19 South, Range 29 East
 Eddy County, New Mexico**

Dear Working Interest Owner,

Cimarex Energy Co. hereby proposes to drill the Parkway 15-14 North State Com 2H well at a legal location in Section 15, Township 19 South, Range 29 East, NMPM, Eddy Co., NM.

The intended surface hole location for the well is 1150' FNL and 390' FWL of Section 15, Township 19 South, Range 29 East, and the intended bottom hole location is 1915' FNL and 100' FEL of Section 14, Township 19 South, Range 29 East. The well is proposed to be drilled vertically to a depth of approximately 8,840' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 19,200' feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Parkway 15-14 North State Com 2H well. If you intend to participate, please approve and return one (1) original of the enclosed AFE, one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

Please call the undersigned with any questions or comments.

Respectfully,

A handwritten signature in blue ink, appearing to read "Riley C. Morris".

Riley C. Morris, RPL
rmorris@cimarex.com
432.620.1966

Case Nos. 20395, 20396, 20397, 20398



Exhibit C.15-14 North 2H

**ELECTION TO PARTICIPATE
Parkway 15-14 North State Com 2H**

_____ Hollis Galesi elects **TO** participate in the proposed Parkway 15-14 North State Com 2H well.

_____ Hollis Galesi elects **NOT** to participate in the proposed Parkway 15-14 North State Com 2H well.

Dated this _____ day of _____, 2018.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Parkway 15-14 North State Com 2H well, then:

_____ Hollis Galesi elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Hollis Galesi elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations or be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.



Authorization For Expenditure Drilling

AFE # 26619024

Company Entity

Date Prepared
12/10/2018

Exploration Region	Well Name	Property	Property Number	AFE
Permian Basin	PARKWAY 15-14 NORTH STATE COM 2H	New Mexico Bone Spring Pros (Eddy)	309775-295.01	26619024
County, State	Location	Estimated Spool	Estimated Completion	
Eddy, NM	S/2 N/2 of Sections 15 and 14, T19S, R29E, Eddy County, New Mexico	4/15/2019	8/1/2019	
X New Supplement Revision	Formation	Well Type	TB Measured Depth	TB Vertical Depth
	Bone Spring 3 /Sd/	DEV	18,980	8,840

Purpose Drill and complete well

Description:

Drill and complete a horizontal test. Drill to 400 set surface casing. Drill to 3460' set intermediate casing. Drill to 8363' (KOP). Drill curve at 12"/100' initial build rate to +/- 90 degrees and 8840' TVD and drill a +/- 9650' long lateral in the bone spring formation. Run and cement production liner. Stage frac in stages. Drill out plugs. Run production packer, tubing and GLVs.

Intangible	By Hole	After Casing Point	Completed Well Cost
Drilling Costs	\$2,843,000		\$2,843,000
Completion Costs		\$7,729,000	\$7,729,000
Total Intangible Cost	\$2,843,000	\$7,729,000	\$10,572,000
Tangible	By Hole	After Casing Point	Completed Well Cost
Well Equipment	\$155,000	\$617,000	\$772,000
Lease Equipment		\$241,500	\$241,500
Total Tangible Cost	\$155,000	\$858,500	\$1,013,500
Total Well Cost	\$2,998,000	\$8,587,500	\$11,585,500

Comments On Well Costs

- All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Non-Operator Approval

Company

Approved By (Print Name)

Approved By (Signature)

Date

NOTICE TO NONOPERATOR: Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

12/10/2018

Case Nos. 20395, 20396, 20397, 20398



Exhibit D.15-14 North 2H



Authorization For Expenditure - PARKWAY 15-14 NORTH STATE
COM 2H

AFE # 26619024

Description	BCP - Drilling		ACP - Drilling		Comp/Stim		Production Equip		Post Completion		Total
	Codes	Amount	Codes	Amount	Codes	Amount	Codes	Amount	Codes	Amount	Cost
Roads & Location	DICD.100	200,000			STIM.100	5,000	CON.100	0	PCOM.100	10,000	215,000
Damages	DICD.105	10,000					CON.105	5,000			15,000
Mud/Fluids Disposal	DICD.255	180,000			STIM.255	46,000			PCOM.255	275,000	501,000
Day Rate	DICD.115	569,000	DICC.120	100,000							669,000
Misc Preparation	DICD.120	35,000									35,000
Bits	DICD.125	85,000	DICC.125	0	STIM.125	0			PCOM.125	0	85,000
Fuel	DICD.135	92,000	DICC.130	0					PCOM.130	0	92,000
Water for Drilling Rig (Not Frac Water)	DICD.140	5,000	DICC.135	0	STIM.135	24,000			PCOM.135	0	29,000
Mud & Additives	DICD.145	250,000									250,000
Surface Rentals	DICD.150	95,000	DICC.140	0	STIM.140	216,000	CON.140	6,500	PCOM.140	33,000	350,500
Flowback Labor					STIM.141	0			PCOM.141	60,000	60,000
Downhole Rentals	DICD.155	122,000			STIM.145	0			PCOM.145	0	122,000
Automation Labor							CON.150	19,000	PCOM.150	0	19,000
Formation Evaluation (DST, Coring, etc.)	DICD.160	0			STIM.150	0					0
Mud Logging	DICD.170	29,000									29,000
Open Hole Logging	DICD.180	0									0
Cementing & Float Equipment	DICD.185	150,000	DICC.155	175,000							325,000
Tubular Inspections	DICD.190	35,000	DICC.160	5,000	STIM.160	2,000			PCOM.160	0	42,000
Casing Crews	DICD.195	10,000	DICC.165	20,000	STIM.165	0					30,000
Mechanical Labor	DICD.200	15,000	DICC.170	5,000	STIM.170	0	CON.170	124,500	PCOM.170	0	144,500
Trucking/Transportation	DICD.205	20,000	DICC.175	15,000	STIM.175	7,000	CON.175	15,000	PCOM.175	0	57,000
Supervision	DICD.210	111,000	DICC.180	16,000	STIM.180	87,000	CON.180	11,000	PCOM.180	0	225,000
Trailer House/Camp/Catering	DICD.280	32,000	DICC.255	4,000	STIM.280	42,000					78,000
Other Misc Expenses	DICD.220	3,000	DICC.190	0	STIM.190	0	CON.190	10,000	PCOM.190	0	13,000
Overhead	DICD.225	10,000	DICC.195	5,000							15,000
Remedial Cementing	DICD.231	0			STIM.215	0			PCOM.215	0	0
MOB/DEMOL	DICD.240	250,000									250,000
Directional Drilling Services	DICD.245	216,000									216,000
Solids Control	DICD.260	77,000									77,000
Well Control Equip (Snubbing Services)	DICD.265	90,000	DICC.240	0	STIM.240	98,000			PCOM.240	0	188,000
Fishing & Sidetrack Services	DICD.270	0	DICC.245	0	STIM.245	0			PCOM.245	0	0
Completion Rig					STIM.115	21,000			PCOM.115	0	21,000
Coil Tubing Services					STIM.260	271,000			PCOM.260	0	271,000
Completion Logging/Perforating/Wireline					STIM.200	418,000			PCOM.200	0	418,000
Composite Plugs					STIM.390	95,000			PCOM.390	0	95,000
Stimulation Pumping/Chemicals/Additives/Sand					STIM.210	4,064,000			PCOM.210	0	4,064,000
Stimulation Water/Water Transfer/Water Storage					STIM.395	882,000					882,000
Cimarex Owned Frac/Rental Equipment					STIM.305	42,000			PCOM.305	0	42,000
Legal/Regulatory/Curative	DICD.300	10,000					CON.300	0			10,000
Well Control Insurance	DICD.285	7,000									7,000
Real Time Operations Center	DICD.560	0			STIM.560	0					0
FL/GI - Labor							CON.500	73,500			73,500
FL/GI - Supervision							CON.505	0			0
Survey							CON.515	0			0
SWD/Other - Labor							CON.600	0			0
SWD/OTHER - SUPERVISION							CON.605	0			0
Contingency	DICD.435	135,000	DICC.220	17,000	STIM.220	316,000	CON.220	40,500	PCOM.220	38,000	546,500
Contingency							CON.221	10,000			10,000
P&A Costs	DICD.295	0	DICC.275	0							0
Total Intangible Cost		2,843,000		362,000		6,636,000		315,000		416,000	10,572,000
Drive Pipe	DWIEB.150	0									0
Conductor Pipe	DWIEB.130	0									0
Water String	DWIEB.135	0									0
Surface Casing	DWIEB.140	14,000									14,000
Intermediate Casing 1	DWIEB.145	121,000									121,000
Intermediate Casing 2	DWIEB.155	0									0
Drilling Liner	DWIEB.160	0									0
Production Casing or Liner			DWIEA.100	418,000							418,000
Production Tie-Back			DWIEA.165	0	STIMT.101	0					0
Tubing					STIMT.105	59,000			PCOMT.105	0	59,000
Wellhead, Tree, Chokes	DWIEB.115	20,000	DWIEA.120	20,000	STIMT.120	25,000			PCOMT.120	0	65,000
Liner Hanger, Isolation Packer	DWIEB.100	0	DWIEA.125	0							0
Packer, Nipples					STIMT.400	15,000			PCOMT.400	0	15,000
Pumping Unit, Engine					STIMT.405	0			PCOMT.405	0	0
Downhole Lift Equipment					STIMT.410	80,000			PCOMT.410	0	80,000
Surface Equipment									PCOMT.420	0	0
Well Automation Materials									PCOMT.455	0	0
Total Tangible - Well Equipment Cost		155,000		438,000		179,000				0	772,000
N/C Lease Equipment							CONT.400	118,500			118,500
Tanks, Tanks Steps, Stairs							CONT.405	0			0
Battery Equipment							CONT.410	46,000			46,000
Secondary Containments							CONT.415	9,000			9,000
Overhead Power Distribution							CONT.420	0			0
Facility Electrical							CONT.425	0			0
Telecommunication Equipment							CONT.426	0			0
Meters and Metering Equipment							CONT.445	8,500			8,500
Facility Line Pipe							CONT.450	14,000			14,000
Lease Automation Materials							CONT.455	23,000			23,000
FL/GI - Materials							CONT.550	7,500			7,500
FL/GI - Line Pipe							CONT.555	15,000			15,000
SWD/Other - Materials							CONT.650	0			0
SWD/OTHER - LINE PIPE							CONT.655	0			0
Total Tangible - Lease Equipment Cost								241,500			241,500
Total Estimated Cost		2,998,000		800,000		6,815,000		556,500		416,000	11,585,500



Authorization For Expenditure - PARKWAY 15-14 NORTH STATE
COM 2H

AFE # 26619024

Description	BCP - Drilling		ACP - Drilling		Comp/Stim	
	Codes	Amount	Codes	Amount	Codes	Amount
Roads & Location	DIDC.100	200,000			STIM.100	5,000
Damages	DIDC.105	10,000				
Mud/Fluids Disposal	DIDC.255	180,000			STIM.255	46,000
Day Rate	DIDC.115 22 days at \$25,000/day	569,000	DICC.120 4 days at \$25,000/day	100,000		
Misc Preparation	DIDC.120	35,000				
Bits	DIDC.125	85,000	DICC.125	0	STIM.125	0
Fuel	DIDC.135 1,150 gal/day at \$3.00/gal	92,000	DICC.130	0		
Water for Drilling Rig (Not Frac Water)	DIDC.140	5,000	DICC.135	0	STIM.135	24,000
Mud & Additives	DIDC.145	250,000				
Surface Rentals	DIDC.150 Per Day (BCP)/day	95,000	DICC.140	0	STIM.140	216,000
Flowback Labor					STIM.141	0
Downhole Rentals	DIDC.155	122,000			STIM.145	0
Automation Labor						
Formation Evaluation (DST, Coring, etc.)	DIDC.160	0			STIM.150	0
Mud Logging	DIDC.170 20 days at \$1,200/day	29,000				
Open Hole Logging	DIDC.180	0				
Cementing & Float Equipment	DIDC.185	150,000	DICC.155	175,000		
Tubular Inspections	DIDC.190	35,000	DICC.160	5,000	STIM.160	2,000
Casing Crews	DIDC.195	10,000	DICC.165	20,000	STIM.165	0
Mechanical Labor	DIDC.200	15,000	DICC.170	5,000	STIM.170	0
Trucking/Transportation	DIDC.205	20,000	DICC.175	15,000	STIM.175	7,000
Supervision	DIDC.210	111,000	DICC.180	16,000	STIM.180	87,000
Trailer House/Camp/Catering	DIDC.280	32,000	DICC.255	4,000	STIM.280	42,000
Other Misc Expenses	DIDC.220	3,000	DICC.190	0	STIM.190	0
Overhead	DIDC.225	10,000	DICC.195	5,000		
Remedial Cementing	DIDC.231	0			STIM.215	0
MOB/DEMOB	DIDC.240	250,000				
Directional Drilling Services	DIDC.245	216,000				
Solids Control	DIDC.260	77,000				
Well Control Equip (Snubbing Services)	DIDC.265	90,000	DICC.240	0	STIM.240	98,000
Fishing & Sidetrack Services	DIDC.270	0	DICC.245	0	STIM.245	0
Completion Rig					STIM.115	21,000
Coil Tubing Services					STIM.260	271,000
Completion Logging/Perforating/Wireline					STIM.200	418,000
Composite Plugs					STIM.390	95,000
Stimulation					STIM.210	4,064,000
Stimulation Water/Water Transfer/Water					STIM.395	882,000
Cimarex Owned Frac/Rental Equipment					STIM.305	42,000
Legal/Regulatory/Curative	DIDC.300	10,000				
Well Control Insurance	DIDC.285 \$0.35/ft	7,000				
Real Time Operations Center	DIDC.560	0			STIM.560	0
FL/GL - Labor						
FL/GL - Supervision						
Survey						
SWD/OTHER - Labor						
SWD/OTHER - SUPERVISION						
Contingency	DIDC.435 500 % of Drilling Intangibles	135,000	DICC.220	17,000	STIM.220	316,000
Contingency						
P&A Costs	DIDC.295	0	DICC.275	0		
Total Intangible Cost		2,843,000		362,000		6,636,000
Drive Pipe	DWEB.150	0				
Conductor Pipe	DWEB.130	0				
Water String	DWEB.135	0				
Surface Casing	DWEB.140 13 3/8" - 400ft at \$35.00/ft	14,000				
Intermediate Casing 1	DWEB.145 9 5/8" - 3,460ft at \$35.00/ft	121,000				
Intermediate Casing 2	DWEB.155	0				
Drilling Liner	DWEB.160	0				
Production Casing or Liner			DWEA.160 5 1/2" - 18,980ft at \$22.00/ft	418,000		
Production Tie-Back			DWEA.165	0	STOAT.101	0
Tubing					STOAT.105 2 7/8" - 8,460ft at \$7.00/ft	59,000
Wellhead, Tree, Chokes	DWEB.115	20,000	DWEA.120	20,000	STOAT.120	25,000
Liner Hanger, Isolation Packer	DWEB.100	0	DWEA.125	0		
Packer, Nipples					STOAT.400	15,000
Pumping Unit, Engine					STOAT.405	0
Downhole Lift Equipment					STOAT.410	80,000
Surface Equipment						
Well Automation Materials						
Total Tangible - Well Equipment Cost		155,000		438,000		179,000
N/C Lease Equipment						
Tanks, Tanks Steps, Stairs						
Battery Equipment						
Secondary Containments						
Overhead Power Distribution						
Facility Electrical						
Telecommunication Equipment						
Meters and Metering Equipment						
Facility Line Pipe						
Lease Automation Materials						
FL/GL - Materials						
FL/GL - Line Pipe						
SWD/OTHER - Materials						
SWD/OTHER - LINE PIPE						
Total Tangible - Lease Equipment Cost						
Total Estimated Cost		2,998,000		880,000		6,815,000



Authorization For Expenditure - PARKWAY 15-14 NORTH STATE
COM 2H

AFE # 26619024

Description	Code	Production Equip	Amount	Codes	Post Completion	Amount	Total	
							Cost	Cost
Roads & Location	CON 100		0	PCOM 100	Road Repair	10,000		215,000
Damages	CON 105		5,000					15,000
Mud/Fluids Disposal				PCOM 255	Water Disposal (2000 BWPD @ \$2.25 for 60	275,000		501,000
Day Rate								669,000
Misc Preparation								35,000
Bits				PCOM 125		0		85,000
Fuel				PCOM 130		0		92,000
Water for Drilling Rig (Not Frac Water)				PCOM 135		0		29,000
Mod & Additives								250,000
Surface Rentals	CON 140		6,500	PCOM 140	Sand Separator and Iron (30 days)	33,000		350,500
Flowback Labor				PCOM 141	Flowback hands (30 days)	60,000		60,000
Downhole Rentals				PCOM 145		0		122,000
Automation Labor	CON 150		19,000	PCOM 150		0		19,000
Formation Evaluation (DST, Coring, etc.)								0
Mud Logging								29,000
Open Hole Logging								0
Cementing & Float Equipment								325,000
Tubular Inspections				PCOM 160		0		42,000
Casing Chews								30,000
Mechanical Labor	CON 170		124,500	PCOM 170		0		144,500
Trucking/Transportation	CON 175		15,000	PCOM 175		0		57,000
Supervision	CON 180		11,000	PCOM 180		0		225,000
Trailer House/Camp/Catering								78,000
Other Misc Expenses	CON 190		10,000	PCOM 190		0		13,000
Overhead								15,000
Remedial Cementing				PCOM 215		0		0
MOB/DEMOS								250,000
Directional Drilling Services								216,000
Solids Control								77,000
Well Control Equip (Snubbing Services)				PCOM 240		0		188,000
Fishing & Sidetrack Services				PCOM 245		0		0
Completion Rig				PCOM 115		0		21,000
Coil Tubing Services				PCOM 260		0		271,000
Completion Logging/Perforating/Wireline				PCOM 200		0		418,000
Composite Plugs				PCOM 390		0		95,000
Stimulation Pumping/Chemicals/Additives/Sand				PCOM 210		0		4,064,000
Stimulation Water/Water Transfer/Water Storage								882,000
Cimarex Owned Frac/Rental Equipment				PCOM 305		0		42,000
Legal/Regulatory/Curtative	CON 300		0					10,000
Well Control Insurance								7,000
Real Time Operations Center								0
FL/GI - Labor	CON 500		73,500					73,500
FL/GI - Supervision	CON 505		0					0
Survey	CON 515		0					0
SWD/Other - Labor	CON 600		0					0
SWD/OTHER - SUPERVISION	CON 605		0					0
Contingency	CON 220		40,500	PCOM 220	10%	38,000		546,500
Contingency	CON 221		10,000					10,000
P&A Costs								0
Total Intangible Cost:			315,000			416,000		10,572,000
Drive Pipe								0
Conductor Pipe								0
Water String								0
Surface Casing								14,000
Intermediate Casing 1								121,000
Intermediate Casing 2								0
Drilling Liner								0
Production Casing or Liner								418,000
Production Tie-Back								0
Tubing				PCOM 105		0		59,000
Wellhead, Tree, Chokes				PCOM 120		0		65,000
Liner Hanger, Isolation Packer								0
Packer, Nipples				PCOM 400		0		15,000
Pumping Unit, Engine				PCOM 405		0		0
Downhole Lift Equipment				PCOM 410		0		80,000
Surface Equipment				PCOM 420		0		0
Well Automation Materials				PCOM 455		0		0
Total Tangible - Well Equipment Cost						0		772,000
N/C Lease Equipment	CON 400		118,500					118,500
Tanks, Tanks Steps, Stairs	CON 405		0					0
Battery Equipment	CON 410		46,000					46,000
Secondary Containments	CON 415		9,000					9,000
Overhead Power Distribution	CON 420		0					0
Facility Electrical	CON 425		0					0
Telecommunication Equipment	CON 426		0					0
Meters and Metering Equipment	CON 445		8,500					8,500
Facility Line Pipe	CON 450		14,000					14,000
Lease Automation Materials	CON 455		23,000					23,000
FL/GI - Materials	CON 550		7,500					7,500
FL/GI - Line Pipe	CON 555		15,000					15,000
SWD/Other - Materials	CON 650		0					0
SWD/OTHER - LINE PIPE	CON 655		0					0
Total Tangible - Lease Equipment Cost			241,500					241,500
Total Estimated Cost			556,500			416,000		11,585,500



Authorization For Expenditure Drilling

AFE # 26619024

Company Entry

Date Prepared:
12/10/2018

Formation Region	Well Name	Proposed	Proposed Location	AFE
Permian Basin	PARKWAY 15-14 NORTH STATE COM 2H	New Mexico Bone Spring Pros (Eddy)	309775-295.01	26619024
County/State	Location	Estimated Spud	Estimated Completion	
Eddy, NM	S/2 N/2 of Sections 15 and 14, T19S, R29E, Eddy County, New Mexico	4/15/2019	8/1/2019	
X New Supplement Revision	Formation	Well Type	Tbl Measured Depth	Tbl Vertical Depth
	Bone Spring 3 /Sd/	DEV	18,980	8,840

Purpose: Drill and complete well

Description:

Drill and complete a horizontal test. Drill to 400' set surface casing. Drill to 3460' set intermediate casing. Drill to 8363' (KOP). Drill curve at 12°/100' initial build rate to +/- 90 degrees and 8840' TVD and drill a +/- 9650' long lateral in the bone spring formation. Run and cement production liner. Stage frac in stages. Drill out plugs. Run production packer, tubing and GLVs.

Intangible	Dry Hole	After Casing Point	Completed Well Cost
Drilling Costs	\$2,843,000		\$2,843,000
Completion Costs		\$7,729,000	\$7,729,000
Total Intangible Cost	\$2,843,000	\$7,729,000	\$10,572,000
Tangible	Dry Hole	After Casing Point	Completed Well Cost
Well Equipment	\$155,000	\$617,000	\$772,000
Lease Equipment		\$241,500	\$241,500
Total Tangible Cost	\$155,000	\$858,500	\$1,013,500
Total Well Cost	\$2,998,000	\$8,587,500	\$11,585,500

Comments On Well Costs

- All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Nonoperator Approval

Company

Approved By (Print Name)

Approved By (Signature)

Date

NOTICE TO NONOPERATOR: Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

12/10/2018



Authorization For Expenditure - PARKWAY 15-14 NORTH STATE
COM 2H

AFE # 26619024

Description	BCP - Drilling	ACP - Drilling	Comp/Stim	Production Equip	Post Completion	Total
Roads & Local	DIOC 120 200,000		STIM 120 5,000	CON 120 0	PCOM 120 10,000	215,000
Drillages	DIOC 125 10,000			CON 125 5,000		15,000
Mud/Fluids Disposal	DIOC 255 180,000		STIM 255 46,000		PCOM 255 275,000	501,000
Day Rate	DIOC 115 569,000	DICC 120 100,000				669,000
Misc Preparation	DIOC 120 35,000					35,000
Gels	DIOC 125 85,000	DICC 125 0	STIM 125 0		PCOM 125 0	85,000
Fluid	DIOC 135 92,000	DICC 130 0			PCOM 130 0	92,000
Water for Drilling Rig (Not Frac Water)	DIOC 140 5,000	DICC 135 0	STIM 135 24,000		PCOM 135 0	29,000
Mud St. Additives	DIOC 145 250,000					250,000
Surface Rentals	DIOC 150 95,000	DICC 145 0	STIM 140 216,000	CON 140 6,500	PCOM 140 33,000	350,500
Flowback Latex			STIM 141 0		PCOM 141 60,000	60,000
Downhole Rental	DIOC 155 122,000		STIM 145 0		PCOM 145 0	122,000
Automation Labor				CON 150 19,000	PCOM 150 0	19,000
Formation Evaluation (DST, Coring, etc)	DIOC 160 0		STIM 150 0			0
Mud Logging	DIOC 170 29,000					29,000
Open Hole Logging	DIOC 180 0					0
Cementing & Float Equipment	DIOC 185 150,000	DICC 155 175,000				325,000
Tool Joint Inspections	DIOC 190 35,000	DICC 160 5,000	STIM 160 2,000		PCOM 160 0	42,000
Casing Grease	DIOC 195 10,000	DICC 165 20,000	STIM 165 0			30,000
Mechanical Labor	DIOC 200 15,000	DICC 170 5,000	STIM 170 0	CON 170 124,500	PCOM 170 0	144,500
Trucking/Transportation	DIOC 205 20,000	DICC 175 15,000	STIM 175 7,000	CON 175 15,000	PCOM 175 0	57,000
Supervision	DIOC 210 111,000	DICC 180 16,000	STIM 180 87,000	CON 180 11,000	PCOM 180 0	225,000
Trailer House/Camp/Catering	DIOC 280 32,000	DICC 255 4,000	STIM 280 42,000			78,000
Other Basic Expenses	DIOC 220 3,000	DICC 190 0	STIM 190 0	CON 190 10,000	PCOM 190 0	13,000
Overhead	DIOC 225 10,000	DICC 195 5,000				15,000
Remedial Cementing	DIOC 231 0		STIM 215 0		PCOM 215 0	0
MOD/OTHER	DIOC 240 250,000					250,000
Directional Drilling Services	DIOC 245 216,000					216,000
Solid Control	DIOC 260 77,000					77,000
Well Control Equip (Shallowing Services)	DIOC 261 90,000	DICC 240 0	STIM 240 98,000		PLCM 240 0	188,000
Fishing & Sidetrack Services	DIOC 270 0	DICC 245 0	STIM 245 0		PCOM 245 0	0
Completion Rig			STIM 115 21,000		PCOM 115 0	21,000
Coil Tubing Services			STIM 260 271,000		PCOM 260 0	271,000
Completion Logging/Perforating/Wireline			STIM 200 418,000		PCOM 200 0	418,000
Composite Plugs			STIM 390 95,000		PCOM 390 0	95,000
Stimulation Pumping/Chemical Additives/Fluid			STIM 210 4,064,000		PCOM 210 0	4,064,000
Stimulation Water/Water Transfer/Water Storage			STIM 395 882,000			882,000
Cimarex Owned Frac/Rental Equipment			STIM 305 42,000		PCOM 305 0	42,000
Legal/Regulatory/Creative	DIOC 300 10,000			CON 300 0		10,000
Well Control Insurance	DIOC 285 7,000					7,000
Real Time Operations Center	DIOC 560 0		STIM 560 0			0
FL/GC - Labor				CON 540 73,500		73,500
FL/GC - Supervision				CON 505 0		0
Survey				CON 515 0		0
SWD/Other - Labor				CON 600 0		0
SWD/OTHER - SUPERVISOR				CON 605 0		0
Contingency	DIOC 415 135,000	DICC 220 17,000	STIM 220 316,000	CON 220 40,500	PCOM 220 38,000	546,500
Contingency				CON 221 10,000		10,000
P&A Costs	DIOC 295 0	DICC 275 0				0
Total Intangible Cost	2,843,000	362,000	6,636,000	315,000	416,000	10,572,000
Drive Pipe	DWAB 150 0					0
Conductor Pipe	DWAB 130 0					0
Water String	DWAB 115 0					0
Surface Casing	DWAB 140 14,000					14,000
Intermediate Casing 1	DWAB 145 121,000					121,000
Intermediate Casing 2	DWAB 155 0					0
Drilling Liner	DWAB 160 0					0
Production Casing or Liner		DWAB 160 418,000				418,000
Production Tub Block		DWAB 165 0	STIM 101 0			0
Tubing			STIM 105 59,000		PLCOM 105 0	59,000
Wellhead Tree Choker	DWAB 115 20,000	DWBA 120 20,000	STIM 120 25,000		PLCOM 120 0	65,000
Liner Hanger Isolation Packer	DWAB 160 0	DWBA 125 0				0
Packer, Supplies			STIM 400 15,000		PLCOM 400 0	15,000
Pumping Unit Engine			STIM 405 0		PLCOM 405 0	0
Downhole Lift Equipment			STIM 410 80,000		PLCOM 410 0	80,000
Surface Equipment					PLCOM 420 0	0
Well Automation Materials					PLCOM 455 0	0
Total Tangible - Well Equipment Cost	155,000	138,000	179,000		0	772,000
N/L Lease Equipment				CON 401 118,500		118,500
Tanks, Tanks, Skips, Stairs				CON 405 0		0
Battery Equipment				CON 410 46,000		46,000
Secondary Containment				CON 415 9,000		9,000
Overhead Power Distribution				CON 420 0		0
Facility Electrical				CON 425 0		0
Telecommunication Equipment				CON 426 0		0
Meters and Metering Equipment				CON 435 8,500		8,500
Facility Line Pipe				CON 450 14,000		14,000
Lease Automation Materials				CON 455 23,000		23,000
FL/GC - Materials				CON 510 7,500		7,500
FL/GC - Line Pipe				CON 515 15,000		15,000
SWD/Other - Materials				CON 650 0		0
SWD/OTHER - LINE PIPE				CON 655 0		0
Total Tangible - Lease Equipment Cost				241,500		241,500
Total Estimated Cost	2,998,000	800,000	6,815,000	556,500	416,000	11,585,500



Authorization For Expenditure - PARKWAY 15-14 NORTH STATE COM 2H

AFE # 26619024

		BCP - Drilling		ACP - Drilling		Comp/Stim	
Description							
Roads & Location	UWDC 103	200,000			STIM 106		5,000
Dunnages	UWDC 105	10,000					
Mud/Fluids Disposal	UWDC 255	180,000			STIM 255		46,000
Day Rate	UWDC 115 22 days at \$25,000/day	569,000	DICC 120 4 days at \$25,000/day	100,000			
Misc Preparation	UWDC 120	35,000					
Site	UWDC 125	85,000	DICC 125		STIM 125		0
Fuel	UWDC 135 1,150 gal/day at \$3.00/gal	92,000	DICC 130				
Water for Drilling Rig (Not Frac Water)	UWDC 140	5,000	DICC 135		STIM 135		24,000
Mud & Additives	DICC 145	250,000					
Surface Rentals	UWDC 150 Per Day (BCP) / Day	95,000	DICC 140		STIM 140		216,000
Flowback Labor					STIM 141		0
Downhole Rentals	UWDC 155	122,000			STIM 145		0
Automation Labor							
Formation Evaluation (DSI Coring, etc.)	UWDC 160	0			STIM 150		0
Mud Logging	UWDC 170 20 days at \$1,200/day	29,000					
Open Hole Logging	UWDC 180	0					
Cementing & Float Equipment	UWDC 185	150,000	DICC 155	175,000			
Tubular Inspection	UWDC 190	35,000	DICC 160	5,000	STIM 160		2,000
Casing Clews	UWDC 195	10,000	DICC 165	20,000	STIM 165		0
Mechanical Labor	UWDC 200	15,000	DICC 170	5,000	STIM 170		0
Trucking/Transportation	UWDC 205	20,000	DICC 175	15,000	STIM 175		7,000
Supplies On	UWDC 210	111,000	DICC 180	16,000	STIM 180		87,000
Trailer House/Camp/Catering	UWDC 230	32,000	DICC 255	4,000	STIM 200		42,000
Other Misc Expenses	UWDC 220	3,000	DICC 190	0	STIM 190		0
Overhead	UWDC 225	10,300	DICC 195	5,000			
Remedial Cementing	UWDC 231	0			STIM 215		0
MOB/DEMOP	UWDC 240	250,000					
Directional Drilling Services	UWDC 245	216,000					
Solids Control	UWDC 260	77,000					
Well Control Equip (Shut-in Services)	UWDC 265	90,000	DICC 240	0	STIM 240		98,000
Fishing & Side-track Services	UWDC 270	0	DICC 245	0	STIM 245		0
Completion Rig					STIM 115		21,000
Coil Tubing Services					STIM 260		271,000
Completion Logging/Perforating/Wireline					STIM 200		418,000
Composite Plugs					STIM 390		95,000
Stimulation					STIM 210		4,064,000
Stimulation Water/Water Transfer/Water					STIM 395		882,000
Cimarex Owned Frac/Rental Equipment					STIM 305		42,000
Legal/Regulatory/Curtative	UWDC 300	10,000					
Well Control Insurance	UWDC 285 \$0.35/ft	7,000					
Real Time Operations Center	UWDC 560	0			STIM 560		0
FLGL - Labor							
FLGL - Supervision							
Survey							
SWD/Other - Labor							
SWD/OTHER - SUPERVISOR							
Contingency	UWDC 435 500 % of Drilling Including Labor	135,000	DICC 220	17,000	STIM 220		316,000
Contingency							
P&A Costs	UWDC 295	0	DICC 275	0			
Total Intangible Cost		2,843,000		352,000			6,636,000
Drill Pipe	UWELB 150	0					
Conductor Pipe	UWELB 130	0					
Water String	UWELB 135	0					
Surface Casing	UWELB 140 13 3/8" - 100ft at \$35.00/ft	14,000					
Intermediate Casing 1	UWELB 145 9 5/8" - 3,450ft at \$35.00/ft	121,000					
Intermediate Casing 2	UWELB 155	0					
Drilling Line	UWELB 160	0					
Production Casing or Liner			DWELA 100 5 1/2" - 18,980ft at \$22.00/ft	418,000			
Production or Tie-Back			DWELA 105	0	STIM 101		0
Tubing					STIM 105 2 7/8" - 8,460ft at \$7.00/ft		59,020
Wellhead, Tree, Chokes	UWELB 115	20,000	DWELA 120	20,000	STIM 120		25,000
Liner Hanger Isolation Pack-off	UWELB 100	0	DWELA 125	0			
Pack-off, Nipples					STIM 400		15,000
Pumping Unit/Engine					STIM 405		0
Downhole Lift Equipment					STIM 410		80,000
Surface Equipment							
Well Automation Materials							
Total Tangible - Well Equipment Cost		155,000		438,000			179,000
N/C Lease Equipment							
Tanks, Tanks Steps Stairs							
Battery Equipment							
Secondary Containment							
Overhead Power Distribution							
Facility Electrical							
Telecommunication Equipment							
Meters and Metering Equipment							
Facility Line Pipe							
Lease Automation Materials							
FLGL - Materials							
FLGL - Line Pipe							
SWD/Other - Materials							
SWD/OTHER - LINE PIPE							
Total Tangible - Lease Equipment Cost							
Total Estimated Cost		2,998,000		800,000			6,815,000



Authorization For Expenditure - PARKWAY 15-14 NORTH STATE
COM 2H

AFE # 26619024

Description		Production Equip		Post Completion		Total
Roads & Location	CON 100		0	PCOM 100 Road Repair	10,000	215,000
Drill Images	CON 100		5,000			15,000
Mud Filtration				PCOM 135 Water Disposal (2000 BOPD @ \$2.25/Barrel)	275,000	501,000
Log Rate						669,000
Misc Preparation						35,000
Oil				PCOM 125	0	85,000
Fuel				PCOM 130	0	92,000
Water for Drilling Rig (not Frac Water)				PCOM 135	0	29,000
Mud & Additives						250,000
Surface Rentals	CON 140	6,500	PCOM 140	Sand Separator and Ion (30 days)	33,000	350,500
Flowback Labor				PCOM 141 Flowback hands (30 days)	60,000	60,000
Drumstick Rentals				PCOM 145	0	122,000
Automation Labor	CON 150	19,000	PCOM 150		0	19,000
Formation Evaluation (DSI, Coning, etc.)						0
Mud Logging						29,000
Open Hole Logging						0
Cementing & Plugging						325,000
Tubular Inspection				PCOM 160	0	42,000
Casing Crews						30,000
Mechanical Labor	CON 170	124,500	PCOM 170		0	144,500
Trucking Transportation	CON 175	15,000	PCOM 175		0	57,000
Supervision	CON 180	11,000	PCOM 180		0	225,000
Trailer House/Camp/Catering						78,000
Other Misc Expenses	CON 190	10,000	PCOM 190		0	13,000
Overhead						15,000
Permitted Cementing				PCOM 215	0	0
MUD/DEMOS						250,000
Directional Drilling Services						216,000
Solids Control						77,000
Well Control Equipment/Services				PCOM 210	0	188,000
Flowback & Sidesack Services				PCOM 215	0	0
Completion Rig				PCOM 115	0	21,000
Coil Tubing Services				PCOM 260	0	271,000
Completion Logging/Perforating/Wellbore				PCOM 200	0	418,000
Composite Plugs				PCOM 390	0	95,000
Simulation Pumping/Chemicals/Activators/Sand				PCOM 210	0	4,064,000
Simulation Water/Water Transfer/Water Storage						882,000
Cimarex Chained Frac/Rental Equipment				PCOM 305	0	42,000
Legal/Regulatory/Compliance	CON 100	0				10,000
Well Control Insurance						7,000
Real Time Operations Center						0
FL/GU - Labor	CON 500	73,500				73,500
FL/GU - Supervision	CON 505	0				0
Survey	CON 515	0				0
SWD, Other - Labor	CON 600	0				0
SWD, OTHER - SUPERVISOR	CON 605	0				0
Contingency	CON 220	40,500	PCOM 220 10%		38,000	546,500
Contingency	CON 221	10,000				10,000
P&A Costs						0
Total Tangible Cost			315,000		416,000	10,572,000
Drill Pipe						0
Conductor Pipe						0
Water String						0
Surface Casing						14,000
Intermediate Casing 1						121,000
Intermediate Casing 2						0
Drilling Liner						0
Production Casing or Liner						418,000
Production Tie-Back						0
Tubing				PCOM 105	0	59,000
Wellhead Tree, Chokes				PCOM 120	0	65,000
Liner Hanger Isolation Packer						0
Packer nipples				PCOM 400	0	15,000
Pumping Unit Engine				PCOM 405	0	0
Downhole Lift Equipment				PCOM 410	0	80,000
Surface Equipment				PCOM 420	0	0
Well Automation Materials				PCOM 455	0	0
Total Tangible - Well Equipment Cost						772,000
Well Lease Equipment	CON 100	118,500				118,500
Tanks, Tanks Steps, Stairs	CON 105	0				0
Battery Equipment	CON 110	46,000				46,000
Secondary Cords, Wires	CON 115	9,000				9,000
Overhead Power Distribution	CON 120	0				0
Facility Electrical	CON 125	0				0
Telecommunication Equipment	CON 126	0				0
Meters and Metering Equipment	CON 135	8,500				8,500
Facility Line Pipe	CON 150	14,000				14,000
Lease Automation Materials	CON 155	23,000				23,000
FL/GU - Materials	CON 550	7,500				7,500
FL/GU - Line Pipe	CON 555	15,000				15,000
SWD, Other - Materials	CON 650	0				0
SWD, OTHER - LINE PIPE	CON 655	0				0
Total Tangible - Lease Equipment Cost		241,500				241,500
Total Estimated Cost			\$56,500		416,000	11,585,500

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-9720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name PARKWAY 15-14 SOUTH STATE COM	⁶ Well Number 1H
⁷ OGRID No.	⁸ Operator Name CIMAREX ENERGY CO.	⁹ Elevation 3338.5'

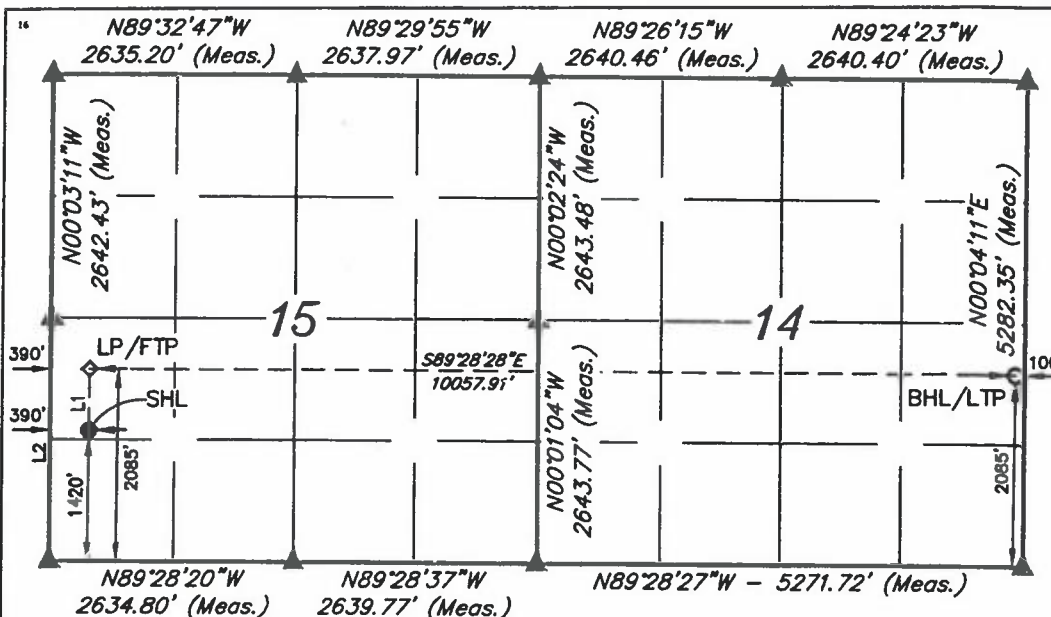
¹⁰ Surface Location

UL or lot no. L	Section 15	Township 19S	Range 29E	Lot Idn	Feet from the 1420	North/South line SOUTH	Feet from the 390	East/West line WEST	County EDDY
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. I	Section 14	Township 19S	Range 29E	Lot Idn	Feet from the 2085	North/South line SOUTH	Feet from the 100	East/West line EAST	County EDDY
¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



¹⁶ OPERATOR
CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

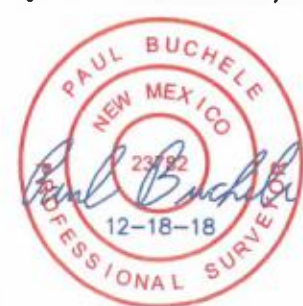
E-mail Address _____

¹⁷ SURVEYOR
CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

November 21, 2018

Date of Survey _____
Signature and Seal of Professional Surveyor: _____



Certificate Number: _____

LINE TABLE

LINE	DIRECTION	LENGTH
L1	N00°01'28"E	665.09'
L2	N00°01'28"E	2640.39'

NOTE:

- Distances referenced on plat to section lines are perpendicular.
- Basis of Bearing is a Transverse Mercator Projection with a Central Meridian of W103°53'00"
- = SURFACE HOLE LOCATION
- ◆ = LANDING POINT/FIRST TAKE POINT
- = BOTTOM HOLE LOCATION/LAST TAKE POINT
- ▲ = SECTION CORNER LOCATED

NAD 83 (SURFACE HOLE LOCATION)

LATITUDE = 32°39'26.76" (32.657434°)
LONGITUDE = 104°04'11.73" (104.069925°)
NAD 27 (SURFACE HOLE LOCATION)
LATITUDE = 32°39'26.34" (32.657316°)
LONGITUDE = 104°04'09.91" (104.069419°)
STATE PLANE NAD 83 (N.M. EAST)
N: 603006.00' E: 622403.02'
STATE PLANE NAD 27 (N.M. EAST)
N: 602943.71' E: 581223.26'

NAD 83 (BHL/LTP)

LATITUDE = 32°39'32.59" (32.659052°)
LONGITUDE = 104°02'14.12" (104.037254°)
NAD 27 (BHL/LTP)
LATITUDE = 32°39'32.16" (32.658934°)
LONGITUDE = 104°02'12.29" (104.036748°)
STATE PLANE NAD 83 (N.M. EAST)
N: 603621.33' E: 632456.09'
STATE PLANE NAD 27 (N.M. EAST)
N: 603558.96' E: 591276.34'



SCALE

REV: 1 12-18-18 C.M.T. (WELL NAME CHANGE)

Case Nos. 20395, 20396, 20397, 20398

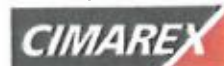


Exhibit B.15-14 South 1H



December 10, 2018

Hunt Oil Company
1900 N. Akard Street
Dallas, Texas 75201

**Re: Proposal to Drill
 Parkway 15-14 South State Com 1H
 Sections 15 & 14, Township 19 South, Range 29 East
 Eddy County, New Mexico**

Dear Working Interest Owner,

Cimarex Energy Co. hereby proposes to drill the Parkway 15-14 South State Com 1H well at a legal location in Section 15, Township 19 South, Range 29 East, NMPM, Eddy Co., NM.

The intended surface hole location for the well is 1420' FSL and 390' FWL of Section 15, Township 19 South, Range 29 East, and the intended bottom hole location is 2085' FSL and 100' FEL of Section 14, Township 19 South, Range 29 East. The well is proposed to be drilled vertically to a depth of approximately 8,840' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 19,200' feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Parkway 15-14 South State Com 1H well. If you intend to participate, please approve and return one (1) original of the enclosed AFE, one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

Please call the undersigned with any questions or comments.

Respectfully,

A handwritten signature in blue ink, appearing to read "Riley C. Morris".

Riley C. Morris, RPL
rmorris@cimarex.com
432.620.1966

Case Nos. 20395, 20396, 20397, 20398

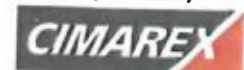


Exhibit C.15-14 South 1H

ELECTION TO PARTICIPATE
Parkway 15-14 South State Com 1H

_____ Hunt Oil Company elects **TO** participate in the proposed Parkway 15-14 South State Com 1H well.

_____ Hunt Oil Company elects **NOT** to participate in the proposed Parkway 15-14 South State Com 1H well.

Dated this _____ day of _____, 2018.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Parkway 15-14 South State Com 1H well, then:

_____ Hunt Oil Company elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Hunt Oil Company elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.



Authorization For Expenditure Drilling

AFE # 26619025

Company/Entity

Date Prepared
12/10/2018

Exploration Region Permian Basin	Well Name PARKWAY 15-14 SOUTH STATE COM 1H	Prospect New Mexico Bone Spring Pros (Eddy)	Property Number 309775-296.01	AFE 26619025
County/State Eddy, NM	Location N/2 S/2 of Section 15 and 14, T19S, R29E, Eddy County, New Mexico	Estimated Spud 9/25/2019	Estimated Completion 9/29/2019	
X New Supplement Revision	Formation Bone Spring 3 /Sd/	Well Type DEV	T/L Measured Depth 19,200	Interval Depth 8,840

Purpose Drill and complete well

Description

Drill and complete a horizontal test. Drill to 400' set surface casing. Drill to 3460' set intermediate casing. Drill to 8363' (KOP). Drill curve at 12°/100' initial build rate to +/- 90 degrees and 8840' TVD and drill a +/- 9650' long lateral in the bone spring formation. Run and cement production liner. Stage frac in stages. Drill out plugs. Run production packer, tubing and GLVs.

Intangible	Dry Hole	After Casing Point	Completed Well Cost
Drilling Costs	\$2,660,000		\$2,660,000
Completion Costs		\$7,853,500	\$7,853,500
Total Intangible Cost	\$2,660,000	\$7,853,500	\$10,513,500
Tangible	Dry Hole	After Casing Point	Completed Well Cost
Well Equipment	\$155,000	\$619,000	\$774,000
Lease Equipment		\$1,317,000	\$1,317,000
Total Tangible Cost	\$155,000	\$1,936,000	\$2,091,000
Total Well Cost	\$2,815,000	\$9,789,500	\$12,604,500

Comments On Well Costs

1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

☒ I elect to purchase my own well control insurance policy.

Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

☐ I elect to take my gas in kind.

☒ I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Nonoperator Approval

Company

Approved By (Print Name)

Approved By (Signature)

Date

NOTICE TO NONOPERATOR: Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

12/10/2018

Case Nos. 20395, 20396, 20397, 20398



Exhibit D.15-14 South 1H



Authorization For Expenditure - PARKWAY 15-14 SOUTH STATE
COM 1H

AFE # 26619025

Description	BCP - Drilling	ACP - Drilling	Comp/Stim	Production Equip	Post Completion	Total
Roads & Location	DICD 100 125,000		STIM 100 5,000	CON 100 61,500	PCOM 100 10,000	201,500
Damages	DICD 105 10,000			CON 105 16,000		26,000
Mud/Fluids Disposal	DICD 255 180,000		STIM 255 46,000		PCOM 255 275,000	501,000
Day Rate	DICD 115 569,000	DICD 120 100,000				669,000
Misc Preparation	DICD 120 35,000					35,000
Bits	DICD 125 85,000	DICD 125 0	STIM 125 0		PCOM 125 0	85,000
Fuel	DICD 135 92,000	DICD 130 0			PCOM 130 0	92,000
Water for Drilling Rig (first 1000 Water)	DICD 140 5,000	DICD 135 0	STIM 135 24,000		PCOM 135 0	29,000
Mud & Additives	DICD 145 250,000					250,000
Surface Rental	DICD 150 95,000	DICD 142 0	STIM 142 174,000	CON 140 6,500	PCOM 142 33,000	308,500
Flowback Labor			STIM 141 0		PCOM 141 60,000	60,000
Downhole Rental	DICD 155 122,000		STIM 145 0		PCOM 145 0	122,000
Automation Labor				CON 150 95,000	PCOM 150 0	95,000
Formation Evaluation (DST, Coring, etc.)	DICD 160 0		STIM 150 0			0
Mud Logging	DICD 170 29,000					29,000
Open Hole Logging	DICD 180 0					0
Cementing & Flood Equipment	DICD 185 150,000	DICD 155 175,000				325,000
Tubular Inspection	DICD 190 35,000	DICD 160 5,000	STIM 160 2,000		PCOM 160 0	42,000
Coring Crews	DICD 195 10,000	DICD 165 20,000	STIM 165 0			30,000
Mechanical Labor	DICD 200 15,000	DICD 170 5,000	STIM 170 0	CON 170 230,500	PCOM 170 0	250,500
Trucking/Transportation	DICD 205 20,000	DICD 175 15,000	STIM 175 7,000	CON 175 42,000	PCOM 175 0	84,000
Supervision	DICD 210 111,000	DICD 180 16,000	STIM 180 69,000	CON 180 48,500	PCOM 180 0	244,500
Trailer House/Camp/Catering	DICD 280 32,000	DICD 255 4,000	STIM 280 34,000			70,000
Other Misc Expenses	DICD 220 3,000	DICD 190 0	STIM 190 90,000	CON 190 20,000	PCOM 190 0	113,000
Overhead	DICD 225 10,000	DICD 195 5,000				15,000
Remedial Cementing	DICD 231 0		STIM 215 0		PCOM 215 0	0
MOB/DEMOB	DICD 240 150,000					150,000
Directional Drilling Services	DICD 245 216,000					216,000
Solids Control	DICD 260 77,000					77,000
Well Control Equip (Shooting Services)	DICD 265 90,000	DICD 240 0	STIM 240 100,000		PCOM 240 0	190,000
Frasing & Sidetrack Services	DICD 270 0	DICD 245 0	STIM 245 0		PCOM 245 0	0
Completion Rig			STIM 215 21,000		PCOM 215 0	21,000
Coil Tubing Services			STIM 260 271,000		PCOM 260 0	271,000
Completion Logging/Perforating/Workline			STIM 200 359,000		PCOM 200 0	359,000
Composite Plugs			STIM 390 95,000		PCOM 390 0	95,000
Stimulation Pumping/Chemicals/Additives/Sand			STIM 210 3,770,000		PCOM 210 0	3,770,000
Stimulation Water/Water Transfer/Water Storage			STIM 395 882,000			882,000
CIMAREX Owned Frac/Rental Equipment			STIM 305 42,000		PCOM 305 0	42,000
Legal/Regulatory/Curation	DICD 300 10,000			CON 300 0		10,000
Well Control Insurance	DICD 285 7,000					7,000
Real Time Operations Center	DICD 560 0		STIM 560 0			0
FLGL - Labor				CON 503 73,500		73,500
FLGL - Supervision				CON 505 0		0
Survey				CON 515 0		0
SWD, Other - Labor				CON 600 0		0
SWD, OTHER - SUPERVISOR				CON 605 0		0
Contingency	DICD 435 127,000	DICD 220 17,000	STIM 220 300,000	CON 220 180,000	PCOM 220 38,000	662,000
Contingency				CON 221 11,000		11,000
P&A Costs	DICD 295 0	DICD 275 0				0
Total Drilling Cost	2,660,000	362,000	6,291,000	784,500	416,000	10,513,500
Drive Pipe	DWIB 150 0					0
Conductor Pipe	DWIB 130 0					0
Water String	DWIB 135 0					0
Surface Casing	DWIB 140 14,000					14,000
Intermediate Casing 1	DWIB 145 121,000					121,000
Intermediate Casing 2	DWIB 155 0					0
Drilling Liner	DWIB 160 0					0
Production Casing or Liner		DWIB 160 420,000				420,000
Production Tie Back		DWIB 165 0	STIM 101 0			0
Tubing			STIM 105 59,000		PCOM 105 0	59,000
Wellhead, Tree, Chokes	DWIB 115 20,000	DWIB 120 20,000	STIM 120 25,000		PCOM 120 0	65,000
Liner Hanger, Isolation Packer	DWIB 100 0	DWIB 125 0				0
Packer, Isopiles			STIM 400 15,000		PCOM 400 0	15,000
Pumping Unit, Engine			STIM 405 0		PCOM 405 0	0
Downhole Lift Equipment			STIM 410 80,000		PCOM 410 0	80,000
Surface Equipment					PCOM 420 0	0
Well Automation Material					PCOM 455 0	0
Total Tangible - Well Equipment Cost	155,000	440,000	179,000		0	774,000
M/C Lease Equipment				CON 400 245,000		245,000
Tank, Tank, Steps, Stairs				CON 405 176,500		176,500
Battery Equipment				CON 410 357,000		357,000
Secondary Containments				CON 415 79,000		79,000
Overhead Power Distribution				CON 420 91,000		91,000
Facility Electrical				CON 425 134,500		134,500
Telecommunication Equipment				CON 426 0		0
Meters and Metering Equipment				CON 435 26,500		26,500
Facility Line Pipe				CON 450 70,000		70,000
Lease Automation Materials				CON 455 115,000		115,000
FLGL - Material				CON 550 7,500		7,500
FLGL - Liner - Pipe				CON 555 15,000		15,000
SWD Other - Materials				CON 650 0		0
SWD OTHER - LOG PIPE				CON 655 0		0
Total Tangible - Lease Equipment Cost				1,317,000		1,317,000
Total Estimated Cost	2,815,000	802,000	6,470,000	2,101,500	416,000	12,604,500



Authorization For Expenditure - PARKWAY 15-14 SOUTH STATE
COM 1H

AFE # 26619025

Description	Code	BCP - Drilling		ACP - Drilling		Comp/Stim	
		Amount	Codes	Amount	Codes	Amount	Codes
Roads & Location	DHDC 100	125,000				STIM 100	5,000
Damages	DHDC 105	10,000					
Mud/Fluids Disposal	DHDC 255	180,000				STIM 255	46,000
Day Rate	DHDC 115 22 days at \$25,000/day	569,000	DHCC 120 4 days at \$25,000/day	100,000			
Misc Preparation	DHDC 120	35,000					
Bits	DHDC 125	85,000	DHCC 125	0	STIM 125	0	
Fuel	DHDC 135 1,150 gal/day at \$3.00/gal	92,000	DHCC 130	0			
Water for Drilling Rig (not frac water)	DHDC 140	5,000	DHCC 135	0	STIM 135	24,000	
Mud & Additives	DHDC 145	250,000					
Surface Rentals	DHDC 150 Per Day (BCP)/Day	95,000	DHCC 140	0	STIM 140	174,000	
Flowback Labor					STIM 141	0	
Downhole Rentals	DHDC 155	122,000			STIM 145	0	
Automation Labor							
Connectivity Evaluation (DSI, Coning, etc.)	DHDC 160	0			STIM 150	0	
Mud Logging	DHDC 170 20 days at \$1,200/day	29,000					
Open Hole Logging	DHDC 180	0					
Centering & Float Equipment	DHDC 185	150,000	DHCC 155	175,000			
Tubular Inspection	DHDC 190	35,000	DHCC 160	5,000	STIM 160	2,000	
Casing Crews	DHDC 195	10,000	DHCC 165	20,000	STIM 165	0	
Mechanical Labor	DHDC 200	15,000	DHCC 170	5,000	STIM 170	0	
Trucking/Transportation	DHDC 205	20,000	DHCC 175	15,000	STIM 175	7,000	
Supervision	DHDC 210	111,000	DHCC 180	16,000	STIM 180	69,000	
Trailer House - Camp/Catering	DHDC 280	32,000	DHCC 255	4,000	STIM 260	34,000	
Other Misc. Expenses	DHDC 220	3,000	DHCC 190	0	STIM 190	50,000	
Overhead	DHDC 225	10,000	DHCC 195	5,000			
Remedial Cementing	DHDC 231	0			STIM 215	0	
MOS/ULMOB	DHDC 240	150,000					
Directional Drilling Services	DHDC 245	216,000					
Solids Control	DHDC 260	77,000					
Well Control Equip (Snubbing Services)	DHDC 265	90,000	DHCC 240	0	STIM 240	100,000	
Fishing & Sidetrack Services	DHDC 270	0	DHCC 245	0	STIM 245	0	
Completion Rig					STIM 115	21,000	
Coil Tubing Services					STIM 260	271,000	
Completion Logging/Perforating/Wireline					STIM 200	359,000	
Composite Plugs					STIM 390	95,000	
Stimulation					STIM 210	3,770,000	
Stimulation Water/Water Transfer/Water					STIM 395	882,000	
Cimarex Owned Frac/Rental Equipment					STIM 305	42,000	
Legal/Regulatory/Curtative	DHDC 300	10,000					
Well Control Insurance	DHDC 285 50.35/ft	7,000					
Real Time Operations Center	DHDC 560	0			STIM 560	0	
FL/GI - Labor							
FL/GI - Supervision							
Survey							
SWD/Other - Labor							
SWD/OTHER - SUPERVISION							
Contingency	DHDC 435 500 % of Drilling Intangible	127,000	DHCC 220	17,000	STIM 220	300,000	
Contingency							
P&A Costs	DHDC 295	0	DHCC 275	0			
Total Intangible Cost		2,660,000		362,000		6,291,000	
Drive Pipe	DWEE 150	0					
Conductor Pipe	DWEE 150	0					
Water String	DWEE 135	0					
Surface Casing	DWEE 140 13 3/8" - 405ft at \$35.00/ft	14,000					
Intermediate Casing 1	DWEE 145 9 5/8" - 3,460ft at \$35.00/ft	121,000					
Intermediate Casing 2	DWEE 155	0					
Drilling Liner	DWEE 160	0					
Production Casing or Liner	DWEE 105 5 1/2" - 19,10/ft at \$22.00/ft	420,000					
Production Tubing	DWEE 165	0			STIM 101	0	
Tubing					STIM 105 2 7/8" - 8,460ft at \$7.00/ft	59,000	
Wellhead Tree Chokes	DWEE 115	20,000	DWEE 120	20,000	STIM 120	75,000	
Liner Hanger Isolation Packer	DWEE 100	0	DWEE 125	0			
Packer nipples					STIM 400	15,000	
Pumping Unit - Engine					STIM 405	0	
Downhole Lift Equipment					STIM 410	80,000	
Surface Equipment							
Well Automation Materials							
Total Tangible - Well Equipment Cost		155,000		440,000		179,000	
Nr/C Lease Equipment							
Tanks Tanks Steps Stairs							
Battery Equipment							
Secondary Circulations							
Overhead Power Distribution							
Facility Electrical							
Telecommunication Equipment							
Meters and Metering Equipment							
Facility Line Pipe							
Lease Automation Materials							
FL/GI - Materials							
FL/GI - Line Pipe							
SWD/Other - Materials							
SWD/OTHER - LINE PIPE							
Total Tangible - Lease Equipment Cost							
Total Estimated Cost		2,815,000		802,000		6,470,000	



Authorization For Expenditure - PARKWAY 15-14 SOUTH STATE COM 1H

AFE # 26619025

Description		Production Equip		Post Completion		Total
Roads & Location	COG 103	61,500	PCOM 170	Road Repair	10,000	201,500
Damages	COG 105	16,000				26,000
Mud/Fluids Disposal			PCOM 255	Water Disposal (2000 BWPD @ \$2.25 for 60	275,000	501,000
Day Rate						669,000
Misc Preparation						35,000
Bits			PCOM 125		0	85,000
Fuel			PCOM 130		0	92,000
Water for Drilling Rig (Not Frac Water)			PCOM 135		0	29,000
Mud & Additives						250,000
Surface Rentals	CON 150	6,500	PCOM 140	Sand Separator and Iron (10 days)	33,000	308,500
Flowback Labor			PCOM 145	Flowback Iron (10 days)	60,000	60,000
Downhole Rental			PCOM 145		0	122,000
Automation Labor	CON 150	95,000	PCOM 150		0	95,000
Formation Evaluation (DST, Coning, etc.)						0
Mud Logging						29,000
Open Hole Logging						0
Cementing & Float Equipment						325,000
Tubular Inspection			PCOM 150		0	42,000
Casing Crews						30,000
Mechanical Labor	COG 170	230,500	PCOM 170		0	250,500
Trucking/Transportation	CON 175	42,000	PCOM 175		0	84,000
Supervision	CON 180	48,500	PCOM 180		0	244,500
Trailer House Camp Catering						70,000
Other Misc Expenses	COG 190	20,000	PCOM 190		0	112,000
Overhead						15,000
Remedial Cementing			PCOM 215		0	0
MOB/DEMOP						150,000
Directional Drilling Services						216,000
Solids Control						77,000
Well Control Equip (Snubbing Services)			PCOM 230		0	190,000
Fishing & Sidetrack Services			PCOM 245		0	0
Completion Rig			PCOM 115		0	21,000
Coil Tubing Services			PCOM 260		0	271,000
Completion Logging/Perforating/Wireline			PCOM 260		0	359,000
Composite Plug			PCOM 390		0	95,000
Stimulation Pumping/Chemicals/Additives/Sand			PCOM 210		0	3,770,000
Stimulation Water/Water Transfer/Water Storage						882,000
Cimarex Owned Frac/Rental Equipment			PCOM 305		0	42,000
Legal/Regulatory/Curative	CON 360	0				10,000
Well Control Insurance						7,000
Real Time Operations Center						0
FL/GI - Labor	CON 500	73,500				73,500
FL/GI - Supervision	CON 505	0				0
Survey	CON 515	0				0
SWD/Other - Labor	CON 600	0				0
SWD/Other - SUPERVISION	CON 605	0				0
Contingency	CON 220	180,000	PCOM 220	10%	58,000	662,000
Contingency	CON 221	11,000				11,000
P&A Costs						0
Total Intangible Cost		784,500			416,000	10,513,500
Drive Pipe						0
Conductor Pipe						0
Water String						0
Surface Casing						14,000
Intermediate Casing 1						121,000
Intermediate Casing 2						0
Drilling Liner						0
Production Casing or Liner						420,000
Production Tubing						0
Tubing			PCOM 105		0	59,000
Wellhead Tree Choices			PCOM 120		0	65,000
Liner Hanger Isolation Packer						0
Packer, Nipples			PCOM 400		0	15,000
Pumping Unit Engine			PCOM 405		0	0
Downhole Lift Equipment			PCOM 410		0	80,000
Surface Equipment			PCOM 420		0	0
Well Automation Materials			PCOM 455		0	0
Total Tangible - Well Equipment Cost					0	774,000
N/C Lease Equipment	CON 400	245,000				245,000
Tanks To Six Steps Stairs	CON 405	176,500				176,500
Battery Equipment	CON 410	357,000				357,000
Secondary Connections	CON 415	79,000				79,000
Overhead Power Distribution	CON 420	91,000				91,000
Facility Electrical	CON 425	134,500				134,500
Telecommunication Equipment	CON 426	0				0
Meters and Metering Equipment	CON 435	26,500				26,500
Facility Line Pipe	CON 440	70,000				70,000
Lease Automation Materials	CON 455	115,000				115,000
FL/GI - Materials	CON 550	7,500				7,500
FL/GI - Line Pipe	CON 555	15,000				15,000
SWD/Other - Materials	CON 650	0				0
SWD/Other - LINE PIPE	CON 655	0				0
Total Tangible - Lease Equipment Cost		1,317,000				1,317,000
Total Estimated Cost		2,101,500			416,000	12,604,500



Authorization For Expenditure Drilling

AFE # 26619025

Company Entry:

Date Prepared
12/10/2018

Exploration Region	Well Name	Project	Property Number	AFE
Permian Basin	PARKWAY 15-14 SOUTH STATE COM 1H	New Mexico Bone Spring Pros (Eddy)	309775-296.01	26619025
County, State	Location	Estimated Start	Estimated Completion	
Eddy, NM	N/2 S/2 of Section 15 and 14, T19S, R29E, Eddy County, New Mexico	9/25/2019	9/29/2019	
X New Supplement Revision	Formation	Well Type	Estimated Depth	Estimated Depth
	Bone Spring 3 /Sd/	DEV	19,200	8,840

Purpose: Drill and complete well

Description:

Drill and complete a horizontal test. Drill to 400' set surface casing. Drill to 3460' set intermediate casing. Drill to 8363' (KOP). Drill curve at 12°/100' initial build rate to +/- 90 degrees and 8840' TVD and drill a +/- 9650' long lateral in the bone spring formation. Run and cement production liner. Stage frac in stages. Drill out plugs. Run production packer, tubing and GLVs.

Intangible	Dry Hole	After Casing Point	Completed Well Cost
Drilling Costs	\$2,660,000		\$2,660,000
Completion Costs		\$7,853,500	\$7,853,500
Total Intangible Cost	\$2,660,000	\$7,853,500	\$10,513,500
Tangible	Dry Hole	After Casing Point	Completed Well Cost
Well Equipment	\$155,000	\$619,000	\$774,000
Lease Equipment		\$1,317,000	\$1,317,000
Total Tangible Cost	\$155,000	\$1,936,000	\$2,091,000
Total Well Cost	\$2,815,000	\$9,789,500	\$12,604,500

Comments On Well Costs

1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

Comments on AFE

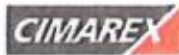
The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Nonoperator Approval

Company	Approved By (Print Name)	Approved By (Signature)	Date
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NOTICE TO NONOPERATOR Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

12/10/2018



Authorization For Expenditure - PARKWAY 15-14 SOUTH STATE COM 1H

AFE # 26619025

Description	BCP - Drilling		ACP - Drilling		Comp/Stim		Production Equip		Post Completion		Total
	Item #	Amount	Item #	Amount	Item #	Amount	Item #	Amount	Item #	Amount	Amount
Roads & Location	DICC 100	125,000			STIM 100	5,000	COM 109	61,500	PCOM 100	10,000	201,500
Damages	DICC 105	10,000					COM 105	16,000			26,000
Midlife Risk Budget	DICC 255	180,000			STIM 255	46,000			PCOM 255	275,000	501,000
Day Rate	DICC 115	569,000	DICC 120	100,000							669,000
Misc Preparation	DICC 120	35,000									35,000
Bits	DICC 125	85,000	DICC 125		STIM 125	0			PCOM 125	0	85,000
Fuel	DICC 135	92,000	DICC 130	0					PCOM 130	0	92,000
Water for Drilling (Post Frac Water)	DICC 140	5,000	DICC 135	0	STIM 135	24,000			PCOM 135	0	29,000
Mud & Additives	DICC 145	250,000									250,000
Surface Rentals	DICC 150	95,000	DICC 140	0	STIM 140	174,000	COM 140	6,500	PCOM 140	33,000	308,500
Flowback Labor					STIM 141	0			PCOM 141	60,000	60,000
Downhole Rental	DICC 155	122,000			STIM 145	0			PCOM 145	0	122,000
Automation Labor							COM 150	95,000	PCOM 150	0	95,000
Formation Evaluation (DST, Coring, etc.)	DICC 160	0			STIM 150	0					0
Mud Logging	DICC 170	29,000									29,000
Open Hole Logging	DICC 180	0									0
Cementing & Asset Equipment	DICC 185	150,000	DICC 155	175,000							325,000
Tubular Inspection	DICC 145	35,000	DICC 160	5,000	STIM 160	2,000			PCOM 160	0	42,000
Casing Crews	DICC 195	10,000	DICC 165	20,000	STIM 165	0					30,000
Mechanical Labor	DICC 200	15,000	DICC 170	5,000	STIM 170	0	COM 170	230,500	PCOM 170	0	250,500
Trucking/Transportation	DICC 205	20,000	DICC 175	15,000	STIM 175	7,000	COM 175	42,000	PCOM 175	0	84,000
Supervision	DICC 210	111,000	DICC 180	16,000	STIM 180	69,000	COM 180	48,500	PCOM 180	0	244,500
Trailer House/Camp/Catering	DICC 280	32,000	DICC 255	4,000	STIM 280	34,000					70,000
Other Misc Expenses	DICC 240	3,000	DICC 140	0	STIM 190	90,000	COM 190	20,000	PCOM 190	0	113,000
Overhead	DICC 225	10,000	DICC 195	5,000							15,000
Remedial Cementing	DICC 231	0			STIM 215	0			PCOM 215	0	0
MOB/DEMOB	DICC 240	150,000									150,000
Directional Drilling Services	DICC 215	216,000									216,000
Well Control	DICC 260	77,000									77,000
Well Control Equip (Scheduling Services)	DICC 265	90,000	DICC 240	0	STIM 240	100,000			PCOM 240	0	190,000
Fishing & Sidetrack Services	DICC 270	0	DICC 245	0	STIM 245	0			PCOM 245	0	0
Completion Plug					STIM 115	21,000			PCOM 115	0	21,000
Coil Tubing Services					STIM 260	271,000			PCOM 260	0	271,000
Completion Logging/Perforating/Isolator					STIM 200	359,000			PCOM 200	0	359,000
Composite Plugs					STIM 390	95,000			PCOM 390	0	95,000
Stimulation Pumping/Chemicals/Additives/Sand					STIM 210	3,770,000			PCOM 210	0	3,770,000
Stimulation Water/Water Transfer/Water Storage					STIM 395	882,000					882,000
Chemicals/Downhole Rental Equipment					STIM 305	42,000			PCOM 305	0	42,000
Legal/Regulatory/Curtative	DICC 300	10,000					COM 300	0			10,000
Well Control Insurance	DICC 285	7,000									7,000
Real Time Operations Center	DICC 560	0			STIM 560	0					0
FL/GC - Labor							COM 500	73,500			73,500
FL/GC - Supervision							COM 505	0			0
Survey							COM 515	0			0
SWD/Other - Labor							COM 400	0			0
SWD/OTHER - SUPERVISOR							COM 405	0			0
Contingency	DICC 435	127,000	DICC 220	17,000	STIM 220	300,000	COM 220	180,000	PCOM 220	38,000	662,000
Contingency							COM 221	11,000			11,000
P&A Costs	DICC 295	0	DICC 275	0							0
Total Frangible Cost		2,660,000		362,000		6,291,000		784,500		416,000	10,513,500
Drive Pipe	DAVEB 150	0									0
Conductor Pipe	DAVEB 130	0									0
Water String	DAVEB 135	0									0
Surface Casing	DAVEB 140	14,000									14,000
Intermediate Casing 1	DAVEB 145	121,000									121,000
Intermediate Casing 2	DAVEB 155	0									0
Drilling Line	DAVEB 160	0									0
Production Casing or Liner			DAVEA 160	420,000							420,000
Production Liner Back			DAVEA 165	0	STIM 101	0					0
Logging					STIM 105	59,000			PCOM 105	0	59,000
Wellhead Tree Chokes	DAVEB 115	20,000	DAVEA 120	20,000	STIM 120	25,000			PCOM 120	0	65,000
Unset Hanger Isolation Packer	DAVEB 100	0	DAVEA 125	0							0
Packer, Supplies					STIM 400	15,000			PCOM 400	0	15,000
Pumping Unit Engine					STIM 405	0			PCOM 405	0	0
Downhole Lift Equipment					STIM 410	80,000			PCOM 410	0	80,000
Surface Equipment									PCOM 420	0	0
Well Automation Materials									PCOM 455	0	0
Total Frangible - Well Equipment Cost		155,000		440,000		179,000				0	774,000
FL/GC Lease Equipment							COM 400	245,000			245,000
Tanks/Tanks/Storage							COM 405	176,500			176,500
Battery Equipment							COM 410	357,000			357,000
Secondary Containment							COM 415	79,000			79,000
Overhead Power Distribution							COM 420	91,000			91,000
Facility Electrical							COM 425	134,500			134,500
Telecommunication Equipment							COM 426	0			0
Meters and Metering Equipment							COM 435	26,500			26,500
Facility Line Pipe							COM 450	70,000			70,000
Lease Automation Materials							COM 455	115,000			115,000
FL/GC - Material							COM 550	7,500			7,500
FL/GC - Line Pipe							COM 555	15,000			15,000
SWD Other - Materials							COM 600	0			0
SWD OTHER - Other Costs							COM 615	0			0
Total Frangible - Lease Equipment Cost								1,317,000			1,317,000
Total Estimated Cost		2,815,000		802,000		6,470,000		2,101,500		416,000	12,604,500



Authorization For Expenditure - PARKWAY 15-14 SOUTH STATE COM 1H

AFE # 26619025

Description	Code	BCP - Drilling		ACP - Drilling		Comp/Stim	
		Cost	Estimate	Cost	Estimate	Cost	Estimate
Roads & Location	DHDC 100		125,000			STIM 100	5,000
Damages	DHDC 105		10,000				
Mud/Fluids Disposal	DHDC 255		180,000			STIM 255	46,000
Day Rate	DHDC 115 22 days at \$25,000/day		569,000	DHCC 120 4 days at \$25,000/day	100,000		
Misc Preparation	DHDC 120		35,000				
Ers	DHDC 125		85,000	DHCC 125	0	STIM 125	0
Fuel	DHDC 135 1 150 gal/day at \$3.00/gal		92,000	DHCC 130	0		
Water for Drilling & Production Water	DHDC 140		5,000	DHCC 135	0	STIM 135	24,000
Mud & Additives	DHDC 145		250,000				
Surface Rentals	DHDC 150 Per Day (800/yr/day)		95,000	DHCC 140	0	STIM 140	174,000
Flowback Labor						STIM 141	0
Downhole Rentals	DHDC 155		122,000			STIM 145	0
Automation Labor							
Formation Evaluation (DSI, Core, etc.)	DHDC 160		0			STIM 150	0
Mud Logging	DHDC 170 20 days at \$1,200/day		29,000				
Open Hole Logging	DHDC 180		0				
Cementing & Float Equipment	DHDC 185		150,000	DHCC 155	175,000		
Tubular Inspection	DHDC 190		35,000	DHCC 160	5,000	STIM 160	2,000
Casing Crews	DHDC 195		10,000	DHCC 165	20,000	STIM 165	0
Mechanical Labor	DHDC 200		15,000	DHCC 170	5,000	STIM 170	0
Trucking/Transportation	DHDC 205		20,000	DHCC 175	15,000	STIM 175	7,000
Supervision	DHDC 210		111,000	DHCC 180	16,000	STIM 180	69,000
Trailer House/Camp/Catering	DHDC 280		32,000	DHCC 255	4,000	STIM 280	34,000
Other Basic Expenses	DHDC 220		3,000	DHCC 190	0	STIM 190	90,000
Overhead	DHDC 225		10,000	DHCC 195	5,000		
Remedial Cementing	DHDC 231		0			STIM 215	0
MOB/DEM/DOB	DHDC 240		150,000				
Directorial Drilling Services	DHDC 245		216,000				
Solids Control	DHDC 260		77,000				
Well Control Equip (Snubbing Service)	DHDC 265		50,000	DHCC 240	0	STIM 240	100,000
Fishing & Sidetrack Services	DHDC 270		0	DHCC 245	0	STIM 245	0
Completion Rig						STIM 115	21,000
Coil Tubing Services						STIM 260	271,000
Completion Logging/Perforating/Wireline						STIM 252	359,000
Composite Plugs						STIM 390	95,000
Stimulation						STIM 210	3,770,000
Stimulation Water/Water Transfer/Water						STIM 395	882,000
Cimarex Owned Trac/Rental Equipment						STIM 305	42,000
Legal/Regulatory/Consulting	DHDC 300		10,000				
Well Control Insurance	DHDC 285 \$0.35/ft		7,000				
Real Time Operations Center	DHDC 560		0			STIM 560	0
FL/GL - Labor							
FL/GL - Supervision							
Survey							
SWD/Other - Labor							
SWD/OTHER - SUPERVISION							
Contingency	DHDC 435 500 % of Drilling Intangibles		127,000	DHCC 220	17,000	STIM 220	300,000
Contingency							
PSA Costs	DHDC 295		0	DHCC 275	0		
Total Intangible Cost			2,660,000		302,000		6,291,000
Drive Pipe	DWEL 150		0				
Conductor Pipe	DWEL 150		0				
Water String	DWEL 155		0				
Surface Casing	DWEL 140 13 3/8" - 405ft at \$35.00/ft		14,000				
Intermediate Casing 1	DWEL 145 9 5/8" - 1460ft at \$35.00/ft		121,000				
Intermediate Casing 2	DWEL 155		0				
Drilling Liner	DWEL 160		0				
Production Casing or Liner				DWELA 100 5 1/2" - 19,107ft at \$22.00/ft	420,000		
Production Tie-Back				DWELA 105	0	STIM 101	0
Tubing						STIM 105 2 7/8" - 8,462ft at \$7.00/ft	59,000
Wellhead, Tree, Chokes	DWEL 115		20,000	DWELA 120	20,000	STIM 120	25,000
Liner Hanger, Isolation Factor	DWEL 100		0	DWELA 125	0		
Packer, Nipples						STIM 402	15,000
Pumping Unit, Engine						STIM 455	0
Downhole Lift Equipment						STIM 410	80,000
Surface Equipment							
Well Automation Materials							
Total Tangible - Well Equipment Cost			155,000		440,000		179,000
N/C Lease Equipment							
Tanks, Tanks Steps, Stairs							
Battery Equipment							
Secondary Containments							
Overhead Power Distribution							
Facility Electrical							
Telecommunication Equipment							
Meters and Metering Equipment							
Facility Line Pipe							
Lease Automation Materials							
FL/GL - Materials							
FL/GL - Line Pipe							
SWD/Other - Materials							
SWD/OTHER - LINE PIPE							
Total Tangible - Lease Equipment Cost							
Total Estimated Cost			2,815,000		802,000		6,470,000



Authorization For Expenditure - PARKWAY 15-14 SOUTH STATE
COM 1H

AFE # 26619025

Description	CO#	Production Equip	Amount	CO#	Post Completion	Amount	Total
Roads & Location	CO# 102		61,500	PCOM 100	Road Repair	10,000	201,500
Damages	CO# 105		16,000				26,000
Mud/Fluids Disposal				PCOM 235	Water Disposal (2000 BAPD) @ \$2.25 per bbl	275,000	501,000
Day Rate							669,000
Misc Preparation							35,000
Bits				PCOM 125		0	85,000
Fuel				PCOM 130		0	92,000
Water for Drilling Rig (Not Frac Water)				PCOM 135		0	29,000
Mud & Additives							250,000
Surface Rentals	CO# 107		6,500	PCOM 140	Sand Separator and Pan (10 days)	33,600	308,500
Flowback Labor				PCOM 141	Flowback Pumps (10 days)	60,000	60,000
Downhole Rentals				PCOM 145		0	122,000
Automation Labor	CO# 150		95,000	PCOM 150		0	95,000
Formation Evaluation (DST Coring, etc.)							0
Mud Logging							29,000
Open Hole Logging							0
Cementing & Flood Equipment							325,000
Tubular Inspections				PCOM 160		0	42,000
Casing Crews							30,000
Mechanical Labor	CO# 170		230,500	PCOM 170		0	250,500
Trucking/Transportation	CO# 175		42,000	PCOM 175		0	84,000
Supervision	CO# 180		48,500	PCOM 180		0	244,500
Trailer House/Camp/Catering							70,000
Other Misc Expenses	CO# 190		20,000	PCOM 190		0	113,000
Overhead							15,000
Remedial Cementing				PCOM 215		0	0
MOD/DEMOS							150,000
Directional Drilling Services							216,000
Solids Control							77,000
Well Control Equip (Scrubbing Services)				PCOM 230		0	190,000
Fishing & Sidetrack Services				PCOM 245		0	0
Completion Rig				PCOM 115		0	21,000
Coil Tubing Services				PCOM 260		0	271,000
Completion Logging/Perforating/Artificial				PCOM 200		0	359,000
Composite Plugs				PCOM 390		0	95,000
Stimulation Pumping/Chemicals/Additives/Sand				PCOM 210		0	3,770,000
Stimulation Water/Water Transfer/Water Storage							882,000
Cimarex Owned Frac/Rental Equipment				PCOM 305		0	42,000
Legal/Regulatory/Compliance	CO# 310		0				10,000
Well Control Insurance							7,000
Real Time Operations Center							0
FL/GI - Labor	CO# 500		73,500				73,500
FL/GI - Supervision	CO# 505		0				0
Survey	CO# 515		0				0
SWD Other - Labor	CO# 600		0				0
SWD, OTHER - SUPERVISORY	CO# 605		0				0
Contingency	CO# 220		180,000	PCOM 220	10%	38,000	662,000
Contingency	CO# 221		11,000				11,000
R&A Costs							0
Total Intangible Costs			784,500			416,000	10,515,500
Drive Pipe							0
Conductor Pipe							0
Water String							0
Surface Casing							14,000
Intermediate Casing 1							121,000
Intermediate Casing 2							0
Drilling Line							0
Production Casing or Liner							420,000
Production Tree Back							0
Tubing				PCOM 105		0	59,000
Wellhead Tool Chokes				PCOM 120		0	65,000
Liner Hanger Isolation Packer							0
Packer, hangers				PCOM 100		0	15,000
Pumping Unit - Engine				PCOM 105		0	0
Downhole Lift Equipment				PCOM 410		0	80,000
Surface Equipment				PCOM 420		0	0
Well Automation Materials				PCOM 455		0	0
Total Tangible - Well Equipment Costs						0	774,000
N/C Lease Equipment	CO# 400		245,000				245,000
Tanks, Tanker Steps, Stairs	CO# 405		176,500				176,500
Battery Equipment	CO# 410		357,000				357,000
Secondary Components	CO# 415		79,000				79,000
Overhead Power Distribution	CO# 420		91,000				91,000
Facility Electrical	CO# 425		134,500				134,500
Telecommunication Equipment	CO# 430		0				0
Meters and Metering Equipment	CO# 435		26,500				26,500
Facility Line Pipe	CO# 450		70,000				70,000
Lease Automation Materials	CO# 455		115,000				115,000
FL/GI - Materials	CO# 550		7,500				7,500
Fuel/L - Line Pipe	CO# 555		15,000				15,000
SWD Other - Materials	CO# 650		0				0
SWD, OTHER - LINE PIPE	CO# 655		0				0
Total Tangible - Lease Equipment Costs			1,317,000				1,317,000
Total Estimated Cost			2,101,500			416,000	12,604,500

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code	3 Pool Name
4 Property Code	5 Property Name PARKWAY 15-14 SOUTH STATE COM	6 Well Number 2H
7 OGRID No.	8 Operator Name CIMAREX ENERGY CO.	9 Elevation 3339.0'

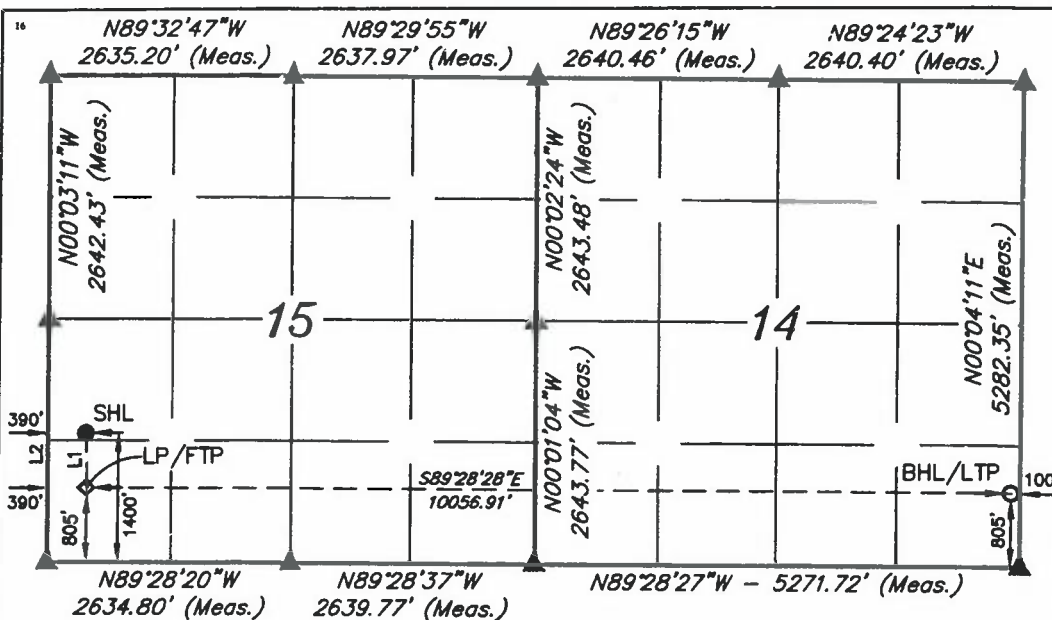
10 Surface Location

UL or lot no. L	Section 15	Township 19S	Range 29E	Lot Idn	Feet from the 1400	North/South line SOUTH	Feet from the 390	East/West line WEST	County EDDY
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11 Bottom Hole Location If Different From Surface

UL or lot no. P	Section 14	Township 19S	Range 29E	Lot Idn	Feet from the 805	North/South line SOUTH	Feet from the 100	East/West line EAST	County EDDY
12 Dedicated Acres 360	13 Joint or Infill	14 Consolidation Code	15 Order No.						

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



16 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

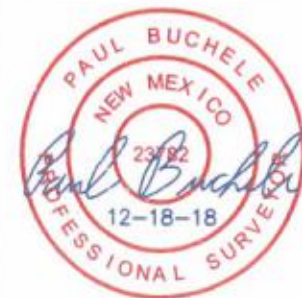
E-mail Address _____

17 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

November 21, 2018

Date of Survey
Signature and Seal of Professional Surveyor:



Certificate Number:

LINE TABLE

LINE	DIRECTION	LENGTH
L1	S00°01'28"W	594.96'
L2	N00°01'28"E	2640.39'

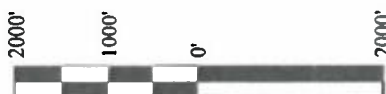
NOTE:

- Distances referenced on plat to section lines are perpendicular.
- Basis of Bearing is a Transverse Mercator Projection with a Central Meridian of W103°53'00"

- = SURFACE HOLE LOCATION
- ◇ = LANDING POINT/FIRST TAKE POINT
- = BOTTOM HOLE LOCATION/ LAST TAKE POINT
- ▲ = SECTION CORNER LOCATED

NAD 83 (SURFACE HOLE LOCATION)
LATITUDE = 32°39'26.56" (32.657379°)
LONGITUDE = 104°04'11.73" (104.069925°)
NAD 27 (SURFACE HOLE LOCATION)
LATITUDE = 32°39'26.14" (32.657261°)
LONGITUDE = 104°04'09.91" (104.069419°)
STATE PLANE NAD 83 (N.M. EAST)
N: 602986.00' E: 622403.09'
STATE PLANE NAD 27 (N.M. EAST)
N: 602923.72' E: 581223.33'

NAD 83 (BHL/LTP)
LATITUDE = 32°39'19.93" (32.655535°)
LONGITUDE = 104°02'14.11" (104.037253°)
NAD 27 (BHL/LTP)
LATITUDE = 32°39'19.50" (32.655417°)
LONGITUDE = 104°02'12.29" (104.036748°)
STATE PLANE NAD 83 (N.M. EAST)
N: 602341.58' E: 632459.96'
STATE PLANE NAD 27 (N.M. EAST)
N: 602279.23' E: 591280.18'



SCALE
REV: 2 12-18-18 C.M.T. (WELL NAME CHANGE)

Case Nos. 20395, 20396, 20397, 20398



Exhibit B.15-14 South 2H



December 10, 2018

Hunt Oil Company
1900 N. Akard Street
Dallas, Texas 75201

**Re: Proposal to Drill
 Parkway 15-14 South State Com 2H
 Sections 15 & 14, Township 19 South, Range 29 East
 Eddy County, New Mexico**

Dear Working Interest Owner,

Cimarex Energy Co. hereby proposes to drill the Parkway 15-14 South State Com 2H well at a legal location in Section 15, Township 19 South, Range 29 East, NMPM, Eddy Co., NM.

The intended surface hole location for the well is 1400' FSL and 390' FWL of Section 15, Township 19 South, Range 29 East, and the intended bottom hole location is 805' FSL and 100' FEL of Section 14, Township 19 South, Range 29 East. The well is proposed to be drilled vertically to a depth of approximately 8,840' to the Bone Spring formation and laterally within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 19,200' feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Parkway 15-14 South State Com 2H well. If you intend to participate, please approve and return one (1) original of the enclosed AFE, one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

Please call the undersigned with any questions or comments.

Respectfully,

A handwritten signature in blue ink that reads "Riley C. Morris".

Riley C Morris, RPL
rmorris@cimarex.com
432.620.1966

Case Nos. 20395, 20396, 20397, 20398

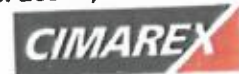


Exhibit C.15-14 South 2H

**ELECTION TO PARTICIPATE
Parkway 15-14 South State Com 2H**

_____ Hunt Oil Company elects **TO** participate in the proposed Parkway 15-14 South State Com 2H well.

_____ Hunt Oil Company elects **NOT** to participate in the proposed Parkway 15-14 South State Com 2H well.

Dated this _____ day of _____, 2018.

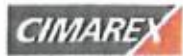
Signature: _____

Title: _____

If your election above is TO participate in the proposed Parkway 15-14 South State Com 2H well, then:

_____ Hunt Oil Company elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Hunt Oil Company elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.



Authorization For Expenditure Drilling

AFE # 26619026

Company Entry:

Date Prepared
12/10/2018

Operating Region	Well Name	Proposed	Proposed Location	AFE
Permian Basin	PARKWAY 15-14 SOUTH STATE COM 2H	New Mexico Bone Spring Pros (Eddy)	309775-297.01	26619026
County/State	Location		Estimated Spud	Estimated Completion
Eddy, NM	S/2 S/2 of Sections 15 and 14, T29S, R29E, Eddy County, NM		5/7/2019	8/25/2021
X New Supplement Revision	Formation	Well Type	Td Measured Depth	Td Vertical Depth
	Bone Spring 3 /Sd/	DEV	19,200	8,840

Purpose Drill and complete well

Description

Drill and complete a horizontal test. Drill to 400 set surface casing. Drill to 3460' set intermediate casing. Drill to 8363' (KOP). Drill curve at 12°/100' initial build rate to +/- 90 degrees and 8840' TVD and drill a +/- 9650' long lateral in the bone spring formation. Run and cement production liner. Stage frac in stages. Drill out plugs. Run production packer, tubing and GLVs.

Intangible	Dry Hole	After Casing Point	Completed Well Cost
Drilling Costs	\$2,660,000		\$2,660,000
Completion Costs		\$7,384,000	\$7,384,000
Total Intangible Cost	\$2,660,000	\$7,384,000	\$10,044,000
Tangible	Dry Hole	After Casing Point	Completed Well Cost
Well Equipment	\$155,000	\$618,000	\$773,000
Lease Equipment		\$241,500	\$241,500
Total Tangible Cost	\$155,000	\$859,500	\$1,014,500
Total Well Cost	\$2,815,000	\$8,243,500	\$11,058,500

Comments On Well Costs

1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Nonoperator Approval

Company

Approved By (Print Name)

Approved By (Signature)

Date

NOTICE TO NONOPERATOR. Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

12/10/2018

Case Nos. 20395, 20396, 20397, 20398

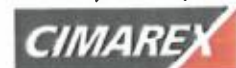


Exhibit D.15-14 South 2H



Authorization For Expenditure - PARKWAY 15-14 SOUTH STATE
COM 2H

AFE # 26619026

Description	BCP - Drilling		ACP - Drilling		Comp/Stim	Production Equip	Post Completion		Total
Roads & Location	DIC 101	125,000			STIM 101	5,000	CON 100	0	140,000
Damages	DIC 115	10,000				CON 105	5,000		15,000
Mud Fluids Disposal	DIC 255	180,000			STIM 255	46,000	PCOM 255	275,000	501,000
Day Rate	DIC 115	569,000	DIC 120	100,000					669,000
Misc Preparation	DIC 120	35,000							35,000
Bits	DIC 125	85,000	DIC 125	0	STIM 125	0	PCOM 125	0	85,000
Fuel	DIC 135	92,000	DIC 136	0			PCOM 130	0	92,000
Water for Drilling Rig (Not Frac Water)	DIC 140	5,000	DIC 135	0	STIM 135	24,000	PCOM 135	0	29,000
Mud & Additives	DIC 145	250,000							250,000
Surface Rental	DIC 150	95,000	DIC 140	0	STIM 140	174,000	CON 140	6,500	308,500
Shutstack Labor					STIM 141	0	PCOM 141	60,000	60,000
Drumhole Rental	DIC 155	122,000			STIM 145	0	PCOM 145	0	122,000
Automation Labor						CON 150	19,000	PCOM 150	19,000
Formation Evaluation (DST, Coring, etc)	DIC 160	0			STIM 150	0			0
Mud Logging	DIC 170	29,000							29,000
Open Hole Logging	DIC 180	0							0
Cementing & Float Equipment	DIC 185	150,000	DIC 155	175,000					325,000
Tubular Inspections	DIC 190	35,000	DIC 160	5,000	STIM 160	2,000	PCOM 160	0	42,000
Coring Crews	DIC 195	10,000	DIC 165	20,000	STIM 165	0			30,000
Mechanical Labor	DIC 200	15,000	DIC 170	5,000	STIM 170	0	CON 170	124,500	144,500
Trucking/Transportation	DIC 205	20,000	DIC 175	15,000	STIM 175	7,000	CON 175	15,000	57,000
Supervision	DIC 210	111,000	DIC 180	16,000	STIM 180	69,000	CON 180	11,000	207,000
Fraser House/Camp/Catering	DIC 280	32,000	DIC 255	4,000	STIM 280	34,000			70,000
Other Misc Expenses	DIC 220	3,000	DIC 190	0	STIM 190	90,000	CON 190	10,000	103,000
Overhead	DIC 225	10,000	DIC 195	5,000			PCOM 190	0	15,000
Perforated Cementing	DIC 231	0			STIM 215	0	PCOM 215	0	0
MOB/DEMOb	DIC 240	150,000							150,000
Directional Drilling Services	DIC 245	216,000							216,000
Solids Control	DIC 260	77,000							77,000
Well Control Equip (Snubbing Services)	DIC 265	90,000	DIC 240	0	STIM 240	100,000	PCOM 240	0	190,000
Fishing & Subtrack Services	DIC 270	0	DIC 245	0	STIM 245	0	PCOM 245	0	0
Completion Rig					STIM 115	21,000	PCOM 115	0	21,000
Coil Tubing Services					STIM 260	271,000	PCOM 260	0	271,000
Completion Logging/Perforating Wireline					STIM 200	359,000	PCOM 200	0	359,000
Composite Plugs					STIM 390	95,000	PCOM 390	0	95,000
Stimulation Pumping (Chemicals/Additives/Sand)					STIM 210	3,770,000	PCOM 210	0	3,770,000
Stimulation Water/Water Transfer/Water Storage					STIM 395	882,000			882,000
Cement - Downed Frac/Rental Equipment					STIM 305	42,000	PCOM 305	0	42,000
Legal/Regulatory, Curative	DIC 300	10,000				CON 300	0		10,000
Well Control Insurance	DIC 285	7,000							7,000
Real Time Operations Center	DIC 560	0			STIM 560	0			0
FLGC - Labor						CON 560	73,500		73,500
FLGC - Supervision						CON 505	0		0
Survey						CON 515	0		0
SWD/OTHER - Labor						CON 600	0		0
SWD/OTHER - SUPERVISION						CON 605	0		0
Contingency	DIC 135	127,000	DIC 220	17,000	STIM 220	300,000	CON 220	40,500	522,500
Contingency						CON 221	10,000		10,000
P&A Costs	DIC 295	0	DIC 275	0					0
Total Intangible Cost		2,660,000		362,000		6,291,000		416,000	10,041,000
Drive Pipe	DWIB 150	0							0
Conductor Pipe	DWIB 130	0							0
Water String	DWIB 135	0							0
Surface Casing	DWIB 140	14,000							14,000
Intermediate Casing 1	DWIB 145	121,000							121,000
Intermediate Casing 2	DWIB 155	0							0
Drilling Lines	DWIB 160	0							0
Production Casing or Liner			DWIB 165	419,000					419,000
Production Tie Back			DWIB 165	0	STIM 101	0			0
Tubing					STIM 105	59,000	PCOM 105	0	59,000
Wellhead Tree Chokes	DWIB 115	20,000	DWIB 120	20,000	STIM 120	25,000	PCOM 120	0	65,000
Liner Hanger, Isolation Packer	DWIB 100	0	DWIB 125	0					0
Packer Supplies					STIM 400	15,000	PCOM 400	0	15,000
Pumping Unit, Engine					STIM 405	0	PCOM 405	0	0
Downhole Lift Equipment					STIM 410	80,000	PCOM 410	0	80,000
Surface Equipment							PCOM 420	0	0
Well Automation Materials							PCOM 455	0	0
Total Tangible - Well Equipment Cost		155,000		439,000		179,000		0	773,000
Misc Lease Equipment						CON 400	118,500		118,500
Tanks, Tanks Steps, Stairs						CON 405	0		0
Battery Equipment						CON 410	46,000		46,000
Secondary Containments						CON 415	9,000		9,000
Overhead Power Distribution						CON 420	0		0
Facility Electrical						CON 425	0		0
Telecommunication Equipment						CON 426	0		0
Metering and Metering Equipment						CON 445	8,500		8,500
Facility Line Pipe						CON 450	14,000		14,000
Lease Automation Materials						CON 455	23,000		23,000
FLGC - Materials						CON 550	7,500		7,500
FLGC - Line Pipe						CON 555	15,000		15,000
SWD/OTHER - Materials						CON 650	0		0
SWD/OTHER - LEASE PIPE						CON 655	0		0
Total Tangible - Lease Equipment Cost							241,500		241,500
Total Estimated Cost		2,815,000		801,000		6,470,000		416,000	11,058,500



Authorization For Expenditure - PARKWAY 15-14 SOUTH STATE COM 2H

AFE # 26619026

		BCP - Drilling		ACP - Drilling		Comp/Stim	
Description	Code	Amount	Code	Amount	Code	Amount	
Roads & Location	DIUC 100	125,000			STIM 100	5,000	
Drawings	DIUC 105	10,000					
Mud/Fluids Disposal	DIUC 255	180,000			STIM 255	46,000	
Day Rate	DIUC 115 22 days at \$25,000/day	550,000	DIUC 120 4 days at \$25,000/day	100,000			
Misc Preparation	DIUC 120	35,000					
Bits	DIUC 125	85,000	DIUC 125	0	STIM 125	0	
Fuel	DIUC 135 1,150 gal/day at \$3.00/gal	92,000	DIUC 130	0			
Water for Linking Rip (Hot Trac Water)	DIUC 140	5,000	DIUC 135	0	STIM 135	24,000	
Mud & Additives	DIUC 145	250,000					
Surface Rentals	DIUC 150 Per Day (BCP)/day	95,000	DIUC 140	0	STIM 140	174,000	
Flowback Labor					STIM 141	0	
Downhole Rentals	DIUC 155	122,000			STIM 145	0	
Automation Labor							
Formation Evaluation (DSI, Coring, etc.)	DIUC 160	0			STIM 150	0	
Mud Logging	DIUC 170 20 days at \$1,200/day	29,000					
Open Hole Logging	DIUC 180	0					
Cementing & Float Equipment	DIUC 185	150,000	DIUC 155	175,000			
Tubular Inspections	DIUC 190	35,000	DIUC 160	5,000	STIM 160	2,000	
Casing Crews	DIUC 195	10,000	DIUC 165	20,000	STIM 165	0	
Mechanical Labor	DIUC 200	15,000	DIUC 170	5,000	STIM 170	0	
Trucking/Transportation	DIUC 205	20,000	DIUC 175	15,000	STIM 175	7,000	
Supplies on	DIUC 210	111,000	DIUC 180	16,000	STIM 180	69,000	
Trailer House/Camp/Catering	DIUC 280	32,000	DIUC 255	4,000	STIM 260	34,000	
Other Misc Expenses	DIUC 220	3,000	DIUC 190	0	STIM 190	90,000	
Overhead	DIUC 225	10,000	DIUC 195	5,000			
Remedial Cementing	DIUC 231	0			STIM 215	0	
MOB/DEMJOB	DIUC 240	150,000					
Direct and Indirect Services	DIUC 245	216,000					
Solids Control	DIUC 260	77,000					
Well Control Equip (Snubbing Services)	DIUC 265	90,000	DIUC 240	0	STIM 240	100,000	
Fishing & Sideback Services	DIUC 270	0	DIUC 245	0	STIM 245	0	
Completion Rig					STIM 115	21,000	
Coil Tubing Services					STIM 260	271,000	
Completion Logging/Perforating/Stripline					STIM 200	359,000	
Compos to Plugs					STIM 390	95,000	
Stimulation					STIM 210	3,770,000	
Stimulation Water/Water Transfer/Water					STIM 395	882,000	
Cimarex Owned Frac/Rental Equipment					STIM 305	42,000	
Legal/Regulatory/Curtains	DIUC 300	10,000					
Well Control Insurance	DIUC 285 \$0.35/ft	7,000					
Real Time Operations Center	DIUC 560	0			STIM 360	0	
FLGL - Labor							
FLGL - Supervision							
Survey							
SWD/Other - Labor							
SWD/OTHER - SUPERVISORS							
Contingency	DIUC 435 500 % of Drilling Intangibles	127,000	DIUC 220	17,000	STIM 220	300,000	
Contingency							
P&A Costs	DIUC 235	0	DIUC 275	0			
Total Intangible Cost		2,660,000		352,000		6,291,000	
Line Pipe	DWEB 150	0					
Conductor Pipe	DWEB 130	0					
Water String	DWEB 135	0					
Surface Casing	DWEB 140 13 3/8" - 400ft at \$35.00/ft	14,000					
Intermediate Casing 1	DWEB 145 9 5/8" - 3,400ft at \$35.00/ft	121,600					
Intermediate Casing 2	DWEB 155	0					
Drilling Liner	DWEB 160	0					
Production Casing or Liner			DWEB 100 5 1/2" - 19,055ft at \$22.00/ft	419,000			
Production Tie-Back			DWEB 165	0	STIM 101	0	
Tubing					STIM 105 2 7/8" - 6,400ft at \$7.00/ft	59,000	
Wellhead Free Cranes	DWEB 115	20,000	DWEB 120	20,000	STIM 120	25,000	
Liner Hanger, Isolation Factor	DWEB 100	0	DWEB 125	0			
Packer, Nipples					STIM 400	15,000	
Pumping Unit, Engine					STIM 405	0	
Downhole Lift Equipment					STIM 410	80,000	
Surface Equipment							
Well Automation Materials							
Total Tangible - Well Equipment Cost		155,600		439,000		179,000	
N/C Lease Equipment							
Tanks, Tanks, Steps, Stairs							
Battery Equipment							
Secondary Containers							
Overhead Power Distribution							
Facility Electrical							
Telecommunication Equipment							
Meters and Metering Equipment							
Facility Line Pipe							
Lease Automation Materials							
FLGL - Materials							
FLGL - Line Pipe							
SWD/Other - Materials							
SWD/OTHER - LINE PIPE							
Total Tangible - Lease Equipment Cost							
Total Estimated Cost		2,815,000		861,000		6,470,000	



Authorization For Expenditure - PARKWAY 15-14 SOUTH STATE
COM 2H

AFE # 26619026

Description	Contract	Production Equip	Amount	Contract	Post Completion	Amount	Total
Roads & Location	CON 100		0	PCOM 100	Road Repair	10,000	140,000
Damages	CON 105		5,000				15,000
Mud/Fluids Disposal				PCOM 235	Water Disposal (2000 BWPD @ \$2.25 for 60	275,000	501,000
Day Rate							669,000
Misc Preparation							35,000
Bits				PCOM 125		0	85,000
Fuel				PCOM 130		0	92,000
Water for Drilling Rig (Mud Frac Water)				PCOM 135		0	29,000
Mud & Additives							250,000
Surface Rentals	CON 140		6,500	PCOM 140	Sand Separator and Iron (30 days)	33,000	308,500
Flowback Labor				PCOM 141	Flowback hands (30 days)	60,000	60,000
Downhole Rentals				PCOM 145		0	122,000
Automation Labor	CON 150		19,000	PCOM 150		0	19,000
Formation Evaluation (DST, Coring, etc)							0
Mud Logging							29,000
Open Hole Logging							0
Cementing & Float Equipment							325,000
Tubular Inspections				PCOM 160		0	42,000
Casing Crews							30,000
Mechanical Labor	CON 170		124,500	PCOM 170		0	144,500
Trucking/Transportation	CON 175		15,000	PCOM 175		0	57,000
Supervision	CON 180		11,000	PCOM 180		0	207,000
Trader House/Camp/Catering							70,000
Other Misc Expenses	CON 190		10,000	PCOM 190		0	103,000
Overhead							15,000
Remedial Cementing				PCOM 215		0	0
MOB/DEMOS							150,000
Directional Drilling Services							216,000
Solids Control							77,000
Well Control Equip (Snubbing Services)				PCOM 240		0	190,000
Fishing & Sideback Services				PCOM 245		0	0
Completion Rig				PCOM 115		0	21,000
Coil Tubing Services				PCOM 260		0	271,000
Completion Logging/Perforating/Wireline				PCOM 200		0	359,000
Composite Plugs				PCOM 390		0	95,000
Stimulation Pumping/Chemicals/Additives/Sand				PCOM 210		0	3,770,000
Stimulation Water/Water Transfer/Water Storage							882,000
Cimarex Owned Frac/Rental Equipment				PCOM 305		0	42,000
Legal/Regulatory/Curtain	CON 300		0				10,000
Well Control Insurance							7,000
Real Time Operations Center							0
FL/GI - Labor	CON 500		73,500				73,500
FL/GI - Supervision	CON 505		0				0
Survey	CON 515		0				0
SWD/Other - Labor	CON 600		0				0
SWD/OTHER - SUPERVISION	CON 605		0				0
Contingency	CON 220		40,500	PCOM 220	10%	38,000	522,500
Contingency	CON 221		10,000				10,000
PSA Costs							0
Total Intangible Cost			315,000			416,000	10,044,000
Drive Pipe							0
Conductor Pipe							0
Winter String							0
Surface Casing							14,000
Intermediate Casing 1							121,000
Intermediate Casing 2							0
Drilling Lines							0
Production Casing or Liner							419,000
Production Tie-Back							0
Tubing				PCOMT 105		0	59,000
Wellhead, Tree, Chokes				PCOMT 120		0	65,000
Liner Hanger Isolation Packer							0
Packer, Nipples				PCOMT 400		0	15,000
Pumping Unit, Engine				PCOMT 405		0	0
Downhole Lift Equipment				PCOMT 410		0	80,000
Surface Equipment				PCOMT 420		0	0
Well Automation Materials				PCOMT 455		0	0
Total Tangible - Well Equipment Cost						0	773,000
N/C Lease Equipment	CONT 400		118,500				118,500
Tanks, Tanks Straps, Straps	CONT 405		0				0
Battery Equipment	CONT 410		46,000				46,000
Secondary Containments	CONT 415		9,000				9,000
Overhead Power Distribution	CONT 420		0				0
Facility Electrical	CONT 425		0				0
Telecommunication Equipment	CONT 426		0				0
Meters and Metering Equipment	CONT 445		8,500				8,500
Facility Line Pipe	CONT 450		14,000				14,000
Lease Automation Materials	CONT 455		23,000				23,000
FL/GI - Materials	CONT 550		7,500				7,500
FL/GI - Line Pipe	CONT 555		15,000				15,000
SWD/Other - Materials	CONT 650		0				0
SWD/OTHER - LINE PIPE	CONT 655		0				0
Total Tangible - Lease Equipment Cost			241,500				241,500
Total Estimated Cost			556,500			416,000	11,058,500



Authorization For Expenditure Drilling

AFE # 26619026

Company Entry

Date Prepared:
12/10/2018

Exploration Region	Well Name	Property	Property Number	AFE
Permian Basin	PARKWAY 15-14 SOUTH STATE COM 2H	New Mexico Bone Spring Pros (Eddy)	309775-297.01	26619026
County, State	Location	Estimated Spud	Estimated Completion	
Eddy, NM	S/2 S/2 of Sections 15 and 14, T29S, R29E, Eddy County, NM	5/7/2019	8/25/2021	
X New Supplement Revision	Formation	Well Type	TH Measured Depth	TH Vertical Depth
	Bone Spring 3 /Sd/	DEV	19,200	8,840

Purpose Drill and complete well

Description

Drill and complete a horizontal test. Drill to 400' set surface casing. Drill to 3460' set intermediate casing. Drill to 8363' (KOP). Drill curve at 12°/100' initial build rate to +/- 90 degrees and 8840' TVD and drill a +/- 9650' long lateral in the bone spring formation. Run and cement production liner. Stage frac in stages. Drill out plugs. Run production packer, tubing and GLVs.

Intangible	Drill Rate	After Casing Point	Completed Well Cost
Drilling Costs	\$2,660,000		\$2,660,000
Completion Costs		\$7,384,000	\$7,384,000
Total Intangible Cost	\$2,660,000	\$7,384,000	\$10,044,000
Tangible	Drill Rate	After Casing Point	Completed Well Cost
Well Equipment	\$155,000	\$618,000	\$773,000
Lease Equipment		\$241,500	\$241,500
Total Tangible Cost	\$155,000	\$859,500	\$1,014,500
Total Well Cost	\$2,815,000	\$8,243,500	\$11,058,500

Comments On Well Costs

1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Nonoperator Approval

Company

Approved By (Print Name)

Approved by (Signature)

Date

NOTICE TO NONOPERATOR: Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

12/10/2018



Authorization For Expenditure - PARKWAY 15-14 SOUTH STATE
COM 2H

AFE # 26619026

Description	BCP - Drilling		ACP - Drilling		Comp/Stim		Production Equip		Post Completion		Total
	Cost Code	Amount	Cost Code	Amount	Cost Code	Amount	Cost Code	Amount	Cost Code	Amount	Cost
Roads & Location	DICC 100	125,000			STIM 100	5,000	CON 100	0	PCOM 100	10,000	140,000
Damages	DICC 105	10,000					CON 105	5,000			15,000
Mud/Fluids Disposal	DICC 255	180,000			STIM 255	46,000			PCOM 255	275,000	501,000
Day Rate	DICC 115	569,000	DICC 120	100,000							669,000
Misc Preparation	DICC 120	35,000									35,000
Bits	DICC 125	85,000	DICC 125	0	STIM 125	0			PCOM 125	0	85,000
Fuel	DICC 135	92,000	DICC 130	0					PCOM 130	0	92,000
Water for Drilling Rig (Not Frac Water)	DICC 140	5,000	DICC 135	0	STIM 135	24,000			PCOM 135	0	29,000
Mud & Additives	DICC 145	250,000									250,000
Surface Rental	DICC 150	95,000	DICC 140	0	STIM 140	174,000	CON 140	6,500	PCOM 140	33,000	308,500
Flowback Labor					STIM 141	0			PCOM 141	60,000	60,000
Downhole Rental	DICC 155	122,000			STIM 145	0			PCOM 145	0	122,000
Automation Labor							CON 150	19,000	PCOM 150	0	19,000
Formation Evaluation (DST, Coring, etc.)	DICC 160	0			STIM 151	0					0
Mud Logging	DICC 170	29,000									29,000
Open Hole Logging	DICC 180	0									0
Cementing & Float Equipment	DICC 185	150,000	DICC 155	175,000							325,000
Tubular Inspections	DICC 190	35,000	DICC 160	5,000	STIM 160	2,000			PCOM 160	0	42,000
Casing Crews	DICC 195	10,000	DICC 165	20,000	STIM 165	0					30,000
Mechanical Labor	DICC 200	15,000	DICC 170	5,000	STIM 170	0	CON 170	124,500	PCOM 170	0	144,500
Trucking/Transportation	DICC 205	20,000	DICC 175	15,000	STIM 175	7,000	CON 175	15,000	PCOM 175	0	57,000
Supervision	DICC 210	111,000	DICC 180	16,000	STIM 180	69,000	CON 180	11,000	PCOM 180	0	207,000
Trailer House/Camp/Catering	DICC 280	32,000	DICC 255	4,000	STIM 280	34,000					70,000
Other Misc Expenses	DICC 220	3,000	DICC 190	0	STIM 190	90,000	CON 190	10,000	PCOM 190	0	103,000
Overhead	DICC 225	10,000	DICC 195	5,000							15,000
Remedial Cementing	DICC 231	0			STIM 215	0			PCOM 215	0	0
MOB/DEM/MOB	DICC 240	150,000									150,000
Directional Drilling Services	DICC 245	216,000									216,000
Solids Control	DICC 260	77,000									77,000
Well Control Equip (Snubbing Services)	DICC 265	90,000	DICC 240	0	STIM 240	100,000			PCOM 240	0	190,000
Fishing & Sidetrack Services	DICC 270	0	DICC 245	0	STIM 245	0			PCOM 245	0	0
Completion Rig					STIM 115	21,000			PCOM 115	0	21,000
Coil Tubing Services					STIM 260	271,000			PCOM 260	0	271,000
Completion Logging/Perforating/Wireline					STIM 200	359,000			PCOM 200	0	359,000
Composite Plugs					STIM 390	95,000			PCOM 390	0	95,000
Stimulation Pumping/Chemicals/Additives/Sand					STIM 210	3,770,000			PCOM 210	0	3,770,000
Stimulation Water/Water Transfer/Water Storage					STIM 395	882,000					882,000
Cimarex Owned Frac/Rental Equipment					STIM 305	42,000			PCOM 305	0	42,000
Legal/Regulatory/Curtative	DICC 300	10,000					CON 300	0			10,000
Well Control Insurance	DICC 285	7,000									7,000
Real Time Operations Center	DICC 560	0			STIM 560	0					0
FL/GS - Labor							CON 500	73,500			73,500
FL/GS - Supervision							CON 505	0			0
Survey							CON 515	0			0
SWD/Other - Labor							CON 600	0			0
SWD/OTHER - SUPERVISION							CON 605	0			0
Contingency	DICC 435	127,000	DICC 220	17,000	STIM 220	300,000	CON 220	40,500	PCOM 220	38,000	522,500
Contingency							CON 221	10,000			10,000
P&A Costs	DICC 295	0	DICC 275	0							0
Total Intangible Cost		2,660,000		362,000		6,291,000		315,000		416,000	10,034,000
Drive Pipe	DIVEB 150	0									0
Conductor Pipe	DIVEB 130	0									0
Water String	DIVEB 135	0									0
Surface Casing	DIVEB 140	14,000									14,000
Intermediate Casing 1	DIVEB 145	121,000									121,000
Intermediate Casing 2	DIVEB 155	0									0
Drilling Liner	DIVEB 160	0									0
Production Casing or Liner			DIVEA 100	419,000							419,000
Production Tie-Back			DIVEA 165	0	STIMT 101	0					0
Tubing					STIMT 105	59,000			PCOMT 105	0	59,000
Wellhead Tree Chokes	DIVEB 115	20,000	DIVEA 120	20,000	STIMT 120	25,000			PCOMT 120	0	65,000
Liner Hanger, Isolation Packer	DIVEB 100	0	DIVEA 125	0							0
Packer, Pupplies					STIMT 400	15,000			PCOMT 100	0	15,000
Pumping Unit, Engine					STIMT 405	0			PCOMT 405	0	0
Downhole Lift Equipment					STIMT 410	80,000			PCOMT 110	0	80,000
Surface Equipment									PCOMT 420	0	0
Well Automation Materials									PCOMT 455	0	0
Total Tangible - Well Equipment Cost		155,000		439,000		179,000				0	773,000
N/C Lease Equipment							CONT 400	118,500			118,500
Tanks, Tanks Steps, Stairs							CONT 405	0			0
Battery Equipment							CONT 410	46,000			46,000
Secondary Containments							CONT 415	9,000			9,000
Overhead Power Distribution							CONT 420	0			0
Facility Electrical							CONT 425	0			0
Telecommunications Equipment							CONT 426	0			0
Meters and Metering Equipment							CONT 435	8,500			8,500
Facility Line Pipe							CONT 450	14,000			14,000
Lease Automation Materials							CONT 455	23,000			23,000
FL/GS - Materials							CONT 550	7,500			7,500
FL/GS - Line Pipe							CONT 555	15,000			15,000
SWD/Other - Materials							CONT 650	0			0
SWD/OTHER - LINE PIPE							CONT 655	0			0
Total Tangible - Lease Equipment Cost								241,500			241,500
Total Estimated Cost		2,815,000		801,000		6,470,000		556,500		416,000	11,058,500



Authorization For Expenditure - PARKWAY 15-14 SOUTH STATE COM 2H

AFE # 26619026

Description	BCP - Drilling		ACP - Drilling		Comp/Stim	
	Code	Amount	Code	Amount	Code	Amount
Roads & Location	DHDC 100	125,000			STIM 100	5,000
Damages	DHDC 105	10,000				
Mud/Luids Disposal	DHDC 255	180,000			STIM 255	46,000
Day Rate	DHDC 115 22 days at \$25,000/day	550,000	DHDC 120 4 days at \$25,000/day	100,000		
Misc Preparation	DHDC 120	35,000				
Eis	DHDC 125	85,000	DHDC 125	0	STIM 125	0
Fuel	DHDC 135 1150 gal/day at \$3.06/gal	32,000	DHDC 135	0	STIM 135	24,000
Water for Drilling Rig Plot Frac Water	DHDC 140	5,000	DHDC 135	0		
Mud & Additives	DHDC 145	250,000				
Surface Rentals	DHDC 150 Per Day (BCP) /day	95,000	DHDC 140	0	STIM 140	174,000
Flowback Labor					STIM 141	0
Downhole Rental	DHDC 155	122,000			STIM 145	0
Automation Labor						
Formation Evaluation (GSI Coring etc.)	DHDC 160	0			STIM 150	0
Mud Logging	DHDC 170 20 days at \$1,200/day	29,000				
Open Hole Logging	DHDC 180	0				
Cementing & Float Equipment	DHDC 185	150,000	DHDC 155	175,000		
Tubular Inspections	DHDC 190	35,000	DHDC 160	5,000	STIM 160	2,000
Casing Crews	DHDC 195	10,000	DHDC 165	20,000	STIM 165	0
Mechanical Labor	DHDC 200	15,000	DHDC 170	5,000	STIM 170	0
Trucking/Transportation	DHDC 205	20,000	DHDC 175	15,000	STIM 175	7,000
Supervision	DHDC 210	111,000	DHDC 180	16,000	STIM 180	69,000
Trailer House/Camp/Catering	DHDC 280	32,000	DHDC 255	4,000	STIM 250	34,000
Other Misc. Expenses	DHDC 220	3,000	DHDC 190	0	STIM 190	50,000
Overhead	DHDC 225	10,000	DHDC 195	5,000		
Remedial Cementing	DHDC 231	0			STIM 215	0
MOB/DI/MOB	DHDC 240	150,000				
Directional Drilling Services	DHDC 245	216,000				
Solids Control	DHDC 260	77,000				
Well Control Equip (Snubbing Services)	DHDC 265	90,000	DHDC 240	0	STIM 240	100,000
Fishing & Sidetrack Services	DHDC 270	0	DHDC 245	0	STIM 245	0
Completion Rig					STIM 115	21,000
Coil Tubing Services					STIM 260	271,000
Completion Logging/Perforating/Miscellaneous					STIM 200	359,000
Composite Plugs					STIM 390	95,000
Stimulation					STIM 210	3,770,000
Stimulation Water/Water Transfer/Water					STIM 395	882,000
Cimarex Owned Frac/Mental Equipment					STIM 305	42,000
Legal/Regulatory/Curtative	DHDC 300	10,000				
Well Control Insurance	DHDC 285 \$0.35/ft	7,000				
Real Time Operations Center	DHDC 560	0			STIM 560	0
FL/GL - Labor						
FL/GL - Supervision						
Survey						
SWD/Other - Labor						
SWD/OTHER - SUPERVISION						
Contingency	DHDC 435 500 % of Drilling Intangibles	127,000	DHDC 220	17,000	STIM 220	300,000
Contingency						
PSA Cost:	DHDC 295	0	DHDC 275	0		
Total Intangible Cost		2,660,000		352,000		6,291,000
Drive Pipe	UWEB 150	0				
Conductor Pipe	UWEB 130	0				
Water String	UWEB 135	0				
Surface Casing	UWEB 140 13 3/8" - 400ft at \$35.00/ft	14,000				
Intermediate Casing 1	UWEB 145 9 5/8" - 3,400ft at \$35.00/ft	121,000				
Intermediate Casing 2	UWEB 155	0				
Drilling Liner	UWEB 160	0				
Production Casing or Liner			UWEA 100 5 1/2" - 19,055ft at \$22.00/ft	419,000		
Production Tie-Back			UWEA 165	0	STIM 101	0
Tubing					STIM 105 2 1/6" - 8,450ft at \$7.60/ft	59,000
Wellhead Tree Chokes	UWEB 115	20,000	UWEA 120	20,000	STIM 120	25,000
Liner Hanger Isolation Pack off	UWEB 100	0	UWEA 125	0		
Packer, Nipples					STIM 400	15,000
Pumping Unit engine					STIM 405	0
Downhole Lift Equipment					STIM 410	60,000
Surface Equipment						
Well Automation Materials						
Total Tangible - Well Equipment Cost		155,000		439,000		179,000
N/C Lease Equipment						
Tanks Tanks Steps Stairs						
Battery Equipment						
Secondary Containment						
Overhead Power Distribution						
Facility Electrical						
Telecommunication Equipment						
Meters and Metering Equipment						
Facility Line Pipe						
Lease Automation Materials						
FL/GL - Materials						
FL/GL - Line Pipe						
SWD/Other - Material						
SWD/OTHER - LINE PIPE						
Total Tangible - Lease Equipment Cost						
Total Estimated Cost		2,815,000		801,000		6,470,000



Authorization For Expenditure - PARKWAY 15-14 SOUTH STATE
COM 2H

AFE # 26619026

Description	Cost Type	Production Equip	Post Completion	Total	
				Amount	Cost
Park & Location	CON 100			10,000	140,000
Damages	CON 105	5,000	PCOM 100 Road Repair		15,000
Mud/Slurry Disposal			PCOM 135 Water Disposal (2000 BWPD @ \$2.25 for 60	275,000	501,000
Day Rate					669,000
Mud Preparation					35,000
Bits			PCOM 125	0	85,000
Fuel			PCOM 130	0	92,000
Water for Drilling Rig (First Frac Water)			PCOM 135	0	29,000
Mud & Additive					250,000
Surface Rentals	CON 140	6,500	PCOM 140 Sand Separation and Iron (30 days)	33,000	308,500
Flowback Labor			PCOM 141 Flowback hours (30 days)	60,000	60,000
Downhole Rentals			PCOM 145	0	122,000
Automation Labor	CON 150	19,000	PCOM 150	0	19,000
Formation Evaluation (CST, Coning, etc.)					0
Mud Logging					29,000
Open Hole Logging					0
Connecting & Flare Equipment					325,000
Tubular Inspection			PCOM 160	0	42,000
Casing Cretes					30,000
Mechanical Labor	CON 170	124,500	PCOM 170	0	144,500
Trucking/Transportation	CON 175	15,000	PCOM 175	0	57,000
Supervision	CON 180	11,000	PCOM 180	0	207,000
Trailer House/Camp/Catering					70,000
Other Misc Expenses	CON 190	10,000	PCOM 190	0	103,000
Overhead					15,000
Perennial Cementing			PCOM 215	0	0
MCS/DETAQS					150,000
Directional Drilling Services					216,000
Solids Control					77,000
Well Control Equip (Snubbing Services)			PCOM 240	0	190,000
Fishing & Sidekick Services			PCOM 245	0	0
Completion Rig			PCOM 115	0	21,000
Coil Tubing Services			PCOM 260	0	271,000
Completion Logging/Perforating/Isolating			PCOM 260	0	359,000
Composite Plugs			PCOM 390	0	95,000
Simulation Pumping/Chemicals/Additives/Sand			PCOM 210	0	3,770,000
Simulation Water/Water Transfer/Water Storage					882,000
Cimarex Owned Frac/Rental Equipment			PCOM 305	0	42,000
Legal/Regulatory/Compliance	CON 300	0			10,000
Well Control Insurance					7,000
Real Time Operations Center					0
FLGL - Labor	CON 501	73,500			73,500
FLGL - Supervision	CON 505	0			0
Survey	CON 515	0			0
SWD Other - Labor	CON 600	0			0
SWD/OTHER - SUPERVISORS	CON 605	0			0
Contingency	CON 220	40,500	PCOM 220 10%	38,000	522,500
Contingency	CON 221	10,000			10,000
PSA Costs					0
Total Intangible Cost		315,000		416,000	10,044,000
Drive Pipe					0
Conductor Pipe					0
Water String					0
Surface Casing					14,000
Intermediate Casing 1					121,000
Intermediate Casing 2					0
Drilling Liner					0
Production Casing or Liner					419,000
Production Tool Joint					0
Tubing			PCOM 105	0	59,000
Wellhead Tool Joints			PCOM 120	0	65,000
Liner Hanger Isolation Pack					0
Packer, Poppets			PCOM 140	0	15,000
Pumping Unit Engine			PCOM 105	0	0
Downhole Lift Equipment			PCOM 110	0	80,000
Surface Equipment			PCOM 120	0	0
Well Automation Materials			PCOM 155	0	0
Total Tangible - Well Equipment Cost				0	771,000
N/C Lease Equipment	COM 400	118,500			118,500
Tanks, Tanker, Steps, Stairs	COM 405	0			0
Battery Equipment	COM 410	46,000			46,000
Secondary Containment	COM 415	9,000			9,000
Overhead Power Distribution	COM 420	0			0
Facility Electrical	COM 425	0			0
Telecommunication Equipment	COM 430	0			0
Meters and Metering Equipment	COM 435	8,500			8,500
Facility Line Pipe	COM 440	14,000			14,000
Lease Automation Materials	COM 455	23,000			23,000
FLGL - Materials	COM 550	7,500			7,500
FLGL - Line Pipe	COM 555	15,000			15,000
SWD Other - Material	COM 650	0			0
SWD OTHER - LINE PIPE	COM 655	0			0
Total Tangible - Lease Equipment Cost		241,500			241,500
Total Estimated Cost		556,500		416,000	11,058,500

Compulsory Pooling Communication Affidavit

Parkway 15-14 North and South State Comms 1H and 2H wells (4 total)

Summary of General Contacts

- Cimarex sent well proposal letters in December 2018.
- Cimarex subsequently contacted parties to see if they would participate in the well and/or execute a joint operating agreement.
- Cimarex conducted updated record searches and internet searches for contact information for parties it seeks to pool.
- Cimarex continued to attempt to contact the parties who had not executed an agreement.
- Cimarex filed an application to force pool parties who had not entered in to an agreement on March 5, 2019.

Hunt Oil Company ("Hunt"):

- Sent well proposals on December 10, 2018 via overnight mail.
- Initial communication on December 26, 2018 in which Ryan Harkins, Landman for Hunt acknowledged receipt of the four (4) well proposals.
- Communication January 16, 2019 with Ryan Harkins that included his inquiry into whether or not Cimarex would be interested in acquiring their 160 net acres within the JOA Contract Area.
- Multiple other communications with Ryan Harkins over the next 7 weeks.
- Offer to Purchase Assets sent to Ryan Harkins via email and overnight mail on March 7, 2019.
- Cimarex set an initial deadline of March 15, 2019 to review the offer and respond.
- Multiple emails and voicemails exchanged regarding timing of getting a response back due to Spring Break.
- Cimarex extended the previous deadline to March 22, 2019 via a deadline extension letter sent via email on March 11, 2019.
- Multiple emails and voicemails exchanged regarding timing of getting a response back due to their Vice President being out of the office and busy with Midland Basin acreage deals.
- Cimarex extended the previous deadline again to April 3, 2019 via email correspondence sent on March 26, 2019.
- Received email from Ryan Harkins indicating that they would like to participate in the proposed operations.

COG Operating, LLC ("Concho"):

- Sent well proposals on December 10, 2018 via overnight mail.
- Initial email contact to Concho Landman, Brent Sawyer on January 22, 2019 outlining the ownership breakdown of Sections 14 and 15, T19S, 29E, Eddy County, NM.
- Met for lunch on February 5, 2019 with Brent Sawyer and Cimarex Landman, John Coffman, to discuss the overall parameters that Cimarex is hoping to accomplish by proposing a new JOA in an East to West format – drill longer laterals on an optimal orientation.
- Traded multiple emails and voicemail over the next three weeks over the JOA form.
- Sent a fully marked up version of our JOA to Brent Sawyer and Rita Burrese, Team Lead of Brent Sawyer, for their review on February 27, 2019.

Case Nos. 20395, 20396, 20397, 20398

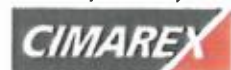


EXHIBIT E

- Received correspondence from Brent Sawyer on March 18, 2019 indicating that they are reviewing the form and will try to get back with me soon.
- Received an inquiry from Brent Sawyer on March 29, 2019 regarding the proposed spud date of the Parkway 15-14 wells.
- Talked to Brent Sawyer over the phone on 4/1/2019 regarding when they will have their comments back to me on the form of JOA. He indicated it would be sometime during the week of April 8, 2019.

Jesse Galesi Trust:

- Sent well proposals on December 10, 2018 via overnight mail.
- Our contract land broker, Bob Bell, contacted the previous trust on file, US Trust Company Florida Savings Bank. He was not able to talk with anyone that knew of the Trust or a forwarding address.
- Bob Bell subsequently sent a certified letter on or around December 27, 2018 to an address he located online in Palm Beach, Florida. This correspondence was returned undeliverable.
- Bob Bell subsequently sent a certified letter on or around February 4, 2019 to an address he located online in Belchertown, MA was returned undeliverable.

Hollis Galesi:

- Sent email correspondence to Michael Galesi, purported relative of Hollis Galesi on December 5, 2018. Michael purported to represent Hollis and I requested that he furnish a Power of Attorney of some supporting documentation for this claim. He did not return any documentation or ever respond to my email.
- Sent well proposals on December 10, 2018 via overnight mail.
- Proposal sent to an address in Wayne, NJ and it was returned undeliverable.

Dugan Production Company ("Dugan"):

- Sent well proposals on December 10, 2018 via overnight mail.
- Received their executed election(s) to participate and JOA from Dugan on or around January 9, 2019.

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF CIMAREX
ENERGY CO. FOR COMPULSORY
POOLING, EDDY COUNTY,
NEW MEXICO.**

CASE NO. 20395

**APPLICATION OF CIMAREX
ENERGY CO. FOR COMPULSORY
POOLING, EDDY COUNTY,
NEW MEXICO.**

CASE NO. 20396

**APPLICATION OF CIMAREX
ENERGY CO. FOR COMPULSORY
POOLING, EDDY COUNTY,
NEW MEXICO.**

CASE NO. 20397

**APPLICATION OF CIMAREX
ENERGY CO. FOR COMPULSORY
POOLING, EDDY COUNTY,
NEW MEXICO.**

CASE NO. 20398

AFFIDAVIT OF STACI MUELLER

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

Staci Mueller, being duly sworn, deposes and states:

1. I am over the age of 18, am a geologist for Cimarex Energy Co. ("Cimarex") and have person knowledge of the matters stated herein. I have previously been qualified to testify by the New Mexico Oil Conservation Division as an expert in petroleum geology matters.

2. I conducted a geological study of the area that encompasses the horizontal spacing units that are the subject of Cimarex's applications in these cases and am familiar with the geological matters involved in this case.

Case Nos. 20395, 20396, 20397, 20398

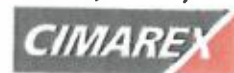


Exhibit B

3. As part of my study I have prepared the following geological exhibits with respected to each of the are attached hereto:

- a. **Exhibit A** is a structure map on the base of the 3rd Bone Spring Sands which shows the spacing for the **Parkway 15-14 North State Com 1H and 2H and the Parkway 15-14 South State Com 1H and 2H wells**. It shows that the structure dips to the southeast. It also shows the location of the 3rd Bone Spring wells in the vicinity of the wells that are the subject of these applications, and a line of cross-section.
- b. **Exhibit B** is a Net Porosity map of the 3rd Bone Spring formation. The Bone Spring Sands are uniform across the proposed well spacing units.
- c. **Exhibit C** is a cross section, hung on the top of the Wolfcamp formation in the area which highlights the targeted zone. The well logs that are shown on this Exhibit were selected from those closest to proposed spacing unit which were most representative of the Bone Spring formation in the area. The target producing zone is shown on the Exhibit in the shaded area and by a red arrow.
- d. The producing zone is relatively continuous across each of the proposed horizontal well spacing units.

4. Based upon my study as illustrated in these exhibits, I have concluded the following:

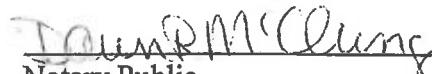
- a. There are no structural impediments or faulting that will interfere with horizontal development in any of the spacing units that are the subject of Cimarex's applications.
- b. Each quarter quarter section in the unit will contribute more or less equally to production.

5. The preferred well orientation in this area is west to east. This is because the maximum horizontal stress direction runs north-south.

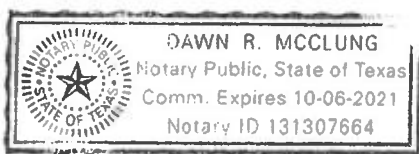
6. The producing interval for each of these wells will be orthodox and will comply with the Division's set back requirements.


Staci Mueller

SUBSCRIBED AND SWORN to before me this 3rd day of April, 2019 by Staci Mueller.

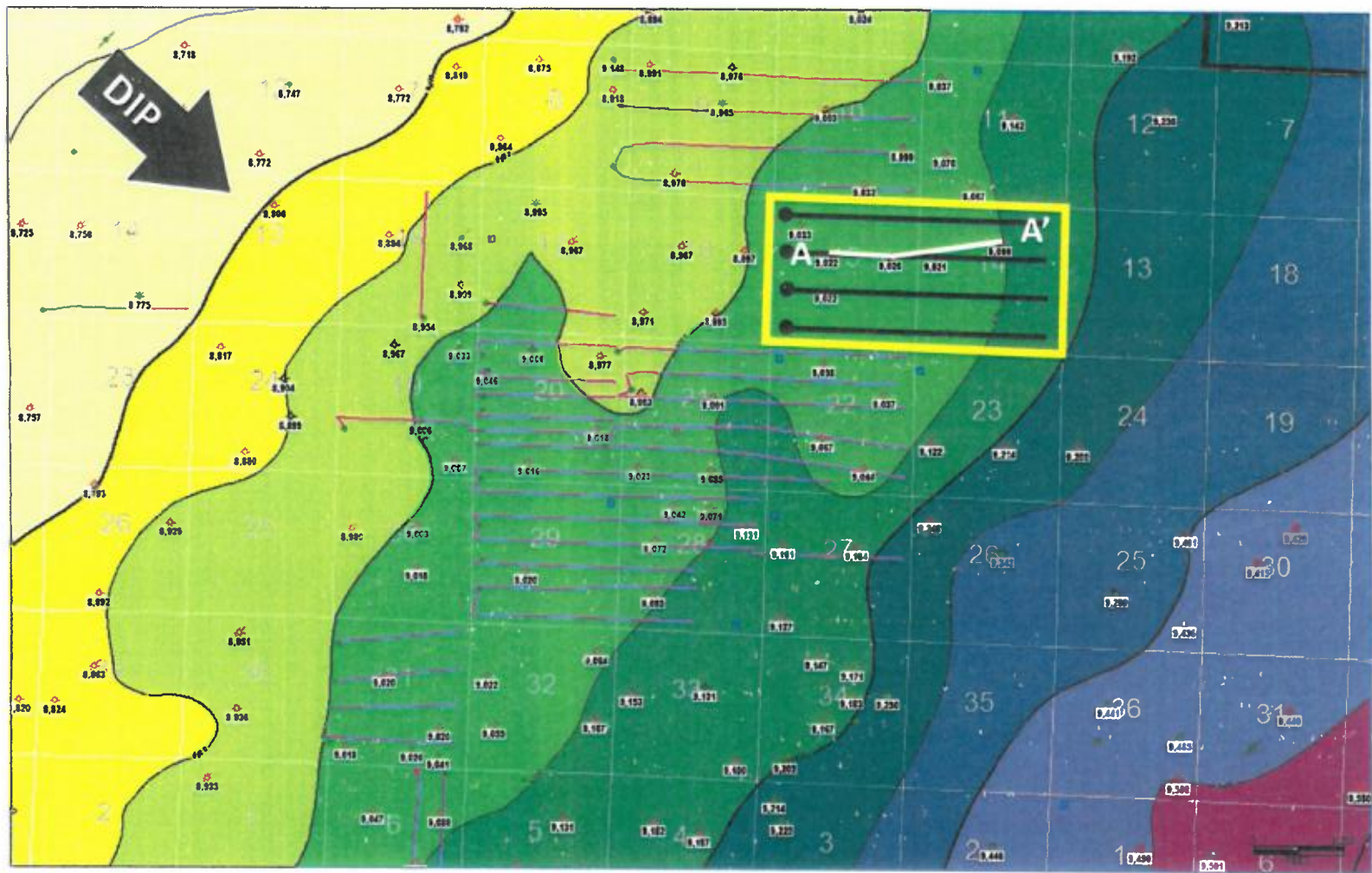

Notary Public

My commission expires: 10-6-21



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Structure Map



**Base 3rd Bone Spring SS
Structure Map**

N. Eddy County

Base 3rd Bone Spring SS

3rd BSPG SS Wells

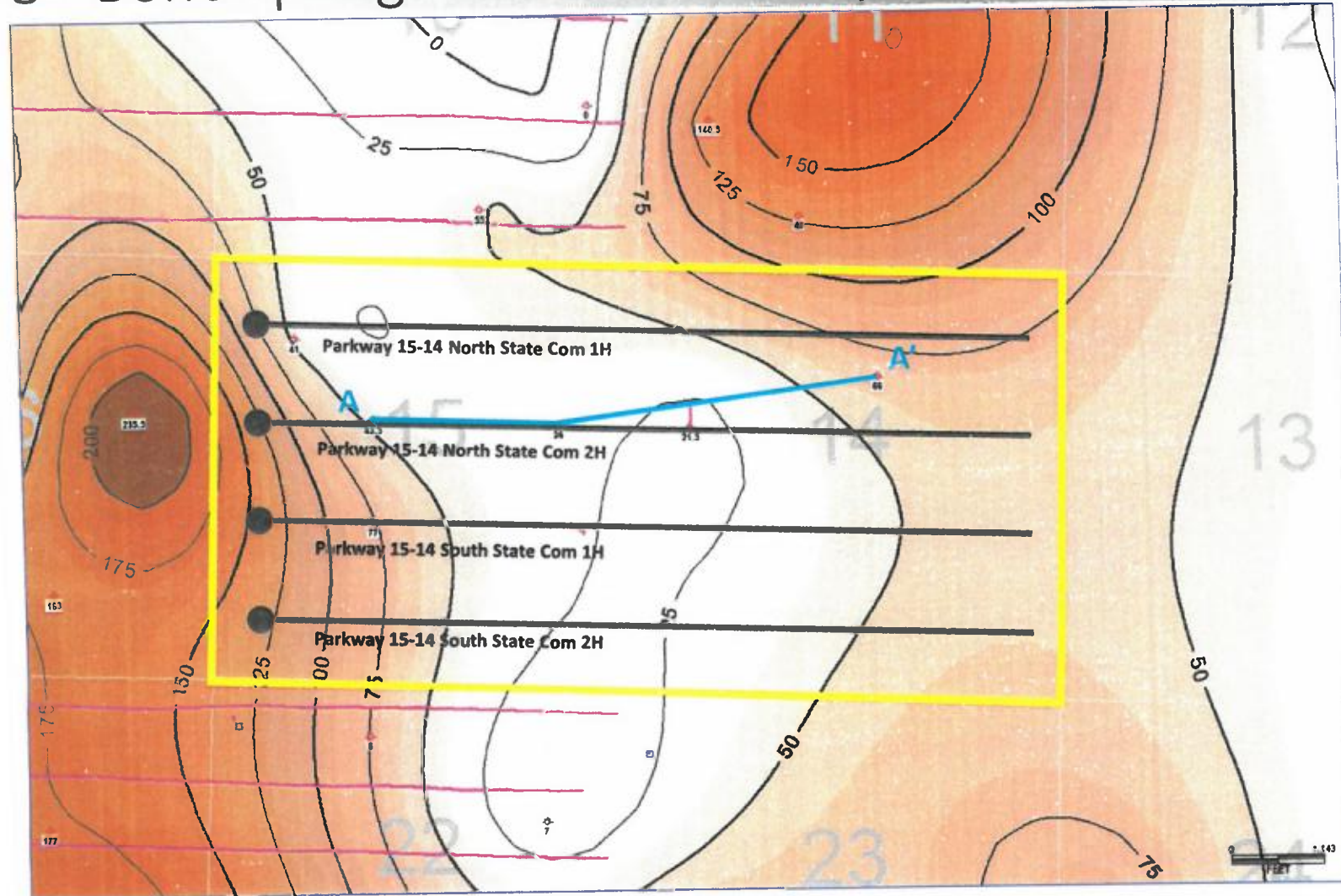
AOI

**Top Wolfcamp Structure
(ft; C.I. 50')**

8700 9300



3rd Bone Spring Sand Net Porosity Map



3rd BSPG Sand Net Porosity Map
N. Eddy County

● 3rd BSPG SS Producers

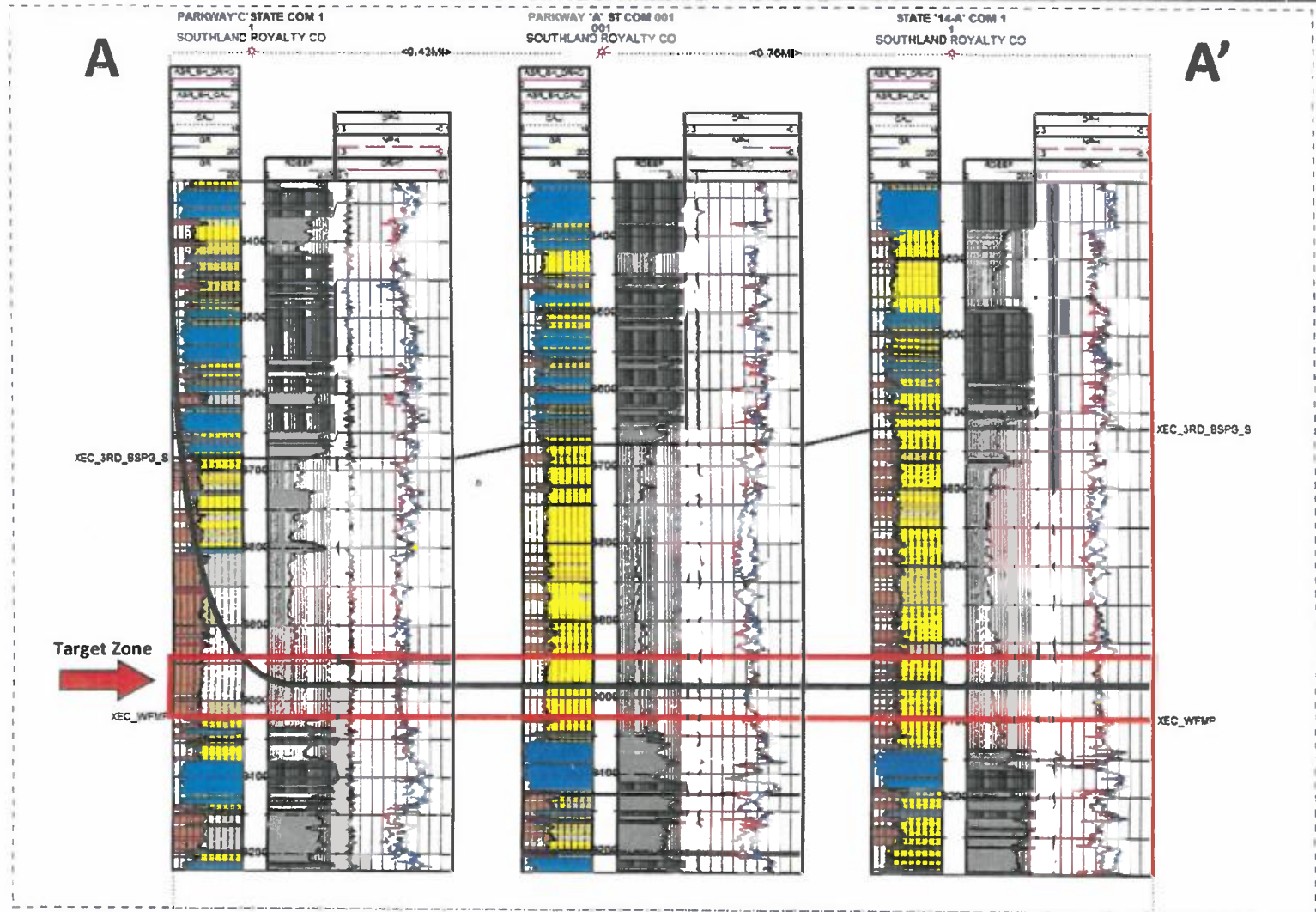
□ AOI

3rd BSPG SS Net Porosity
(>9% DPHI Porosity; C.I. 25')

0 50 100 150 200

EXHIBIT
tabbies B

3rd Bone Spring Sand Cross Section



**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF CIMAREX
ENERGY CO. FOR COMPULSORY
POOLING, EDDY COUNTY,
NEW MEXICO.**

CASE NO. 20395

**APPLICATION OF CIMAREX
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CASE NO. 20396

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ENERGY CO. FOR COMPULSORY
POOLING, EDDY COUNTY,
NEW MEXICO.**

CASE NO. 20397

**APPLICATION OF CIMAREX
ENERGY CO. FOR COMPULSORY
POOLING, EDDY COUNTY,
NEW MEXICO.**

CASE NO. 20398

AFFIDAVIT

STATE OF NEW MEXICO)
)ss.
COUNTY OF BERNALILLO)

Earl E. DeBrine, Jr., attorney in fact and authorized representative of Cimarex Energy Co., the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications were provided under the notice letters and that proof of receipts are attached hereto. Cimarex Energy Co. has conducted a good faith, diligent effort to find the names and correct addresses for the interest owners entitled to receive notice of the application filed herein.



Earl E. DeBrine, Jr.

Case Nos. 20395, 20396, 20397, 20398



SUBSCRIBED AND SWORN to before me this 3rd day of April, 2019 by Earl E.



Kathleen T Allen

Notary Public

My commission expires: 07-22-2022

Y:\dox\client\82762\0180\DRAFTS\W3395161.DOCX

CARLSBAD
CURRENT-ARGUS

AFFIDAVIT OF PUBLICATION

Ad No.
0001280518

MODRALL SPERLING
PO BOX 2168


ALBUQUERQUE NM 87103

I, a legal clerk of the **Carlsbad Current-Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

03/21/19

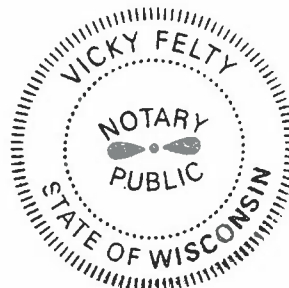

Legal Clerk

Subscribed and sworn before me this
21st of March 2019.


State of WI, County of Brown
NOTARY PUBLIC

9/19/21
My Commission Expires

CASENO. 20395 : Notice to all affected parties, as well as the heirs and devisees of **COG Operating LLC, Dugan Production Company, Hollis Galesi, Hunt Oil Company, U.S. Trust Company of Florida Savings Bank, State of New Mexico, Bureau of Land Management of Cimarex Energy Co.'s Application for compulsory pooling, Eddy County, New Mexico.** The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on **April 4, 2019** to consider this application. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the N/2 N/2 of Sections 14 and 15, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Parkway 15-14 North State Com 1H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southeast of Atoka, New Mexico.
Pub: March 21, 2019 #1280518



CARLSBAD
CURRENT-ARGUS

AFFIDAVIT OF PUBLICATION

Ad No.
0001280519

MODRALL SPERLING
PO BOX 2168

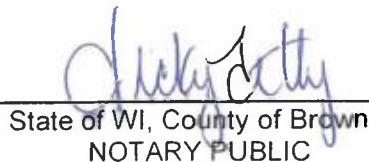
ALBUQUERQUE NM 87103

I, a legal clerk of the **Carlsbad Current-Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

03/21/19

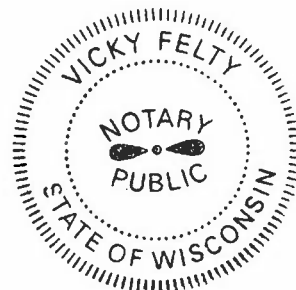

Legal Clerk

Subscribed and sworn before me this
21st of March 2019.


State of WI, County of Brown
NOTARY PUBLIC

9-19-21
My Commission Expires

CASENO. 20396: Notice to all affected parties, as well as the heirs and devisees of **COG Operating LLC, Dugan Production Company, Hollis Galesi, Hunt Oil Company, U.S. Trust Company of Florida Savings Bank, State of New Mexico, Bureau of Land Management of Cimarex Energy Co.'s Application for compulsory pooling, Eddy County, New Mexico.** The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on **April 4, 2019** to consider this application. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the N/2 S/2 of Sections 14 and 15, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Parkway 15-14 South State Com 1H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southeast of Atoka, New Mexico.
Pub: March 21, 2019 #1280519



CARLSBAD
CURRENT-ARGUS

AFFIDAVIT OF PUBLICATION

Ad No.
0001280520

MODRALL SPERLING
PO BOX 2168


ALBUQUERQUE NM 87103

I, a legal clerk of the **Carlsbad Current-Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

03/21/19


Legal Clerk

Subscribed and sworn before me this
21st of March 2019.


State of WI, County of Brown
NOTARY PUBLIC

9-19-21
My Commission Expires

CASENO. 20397: Notice to all affected parties, as well as the heirs and devisees of **COG Operating LLC, Dugan Production Company, Hollis Galesi, Hunt Oil Company, U.S. Trust Company of Florida Savings Bank, State of New Mexico, Bureau of Land Management of Cimarex Energy Co.'s Application for compulsory pooling, Eddy County, New Mexico.** The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on **April 4, 2019** to consider this application. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the S/2 N/2 of Sections 14 and 15, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Parkway 15-14 North State Com 2H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southeast of Atoka, New Mexico.
Pub: March 21, 2019 #1280520



CARLSBAD
CURRENT-ARGUS

AFFIDAVIT OF PUBLICATION

Ad No.
0001280523

MODRALL SPERLING
PO BOX 2168

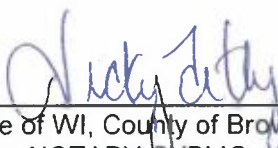
ALBUQUERQUE NM 87103

I, a legal clerk of the **Carlsbad Current-Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

03/21/19


Legal Clerk

Subscribed and sworn before me this
21st of March 2019.


State of WI, County of Brown
NOTARY PUBLIC

9-19-21
My Commission Expires

CASENO. 20398: Notice to all affected parties, as well as the heirs and devisees of **COG Operating LLC, Dugan Production Company, Hollis Galesi, Hunt Oil Company, U.S. Trust Company of Florida Savings Bank, State of New Mexico, Bureau of Land Management of Cimarex Energy Co.'s Application for compulsory pooling, Eddy County, New Mexico.** The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on **April 4, 2019** to consider this application. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the S/2 S/2 of Sections 14 and 15, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Parkway 15-14 South State Com 2H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southeast of Atoka, New Mexico.
Pub: March 21, 2019 #1280523

